



SUPPLY  
CHAIN  
EVOLUTION

# Stakeholder Analysis

## Chapter 1: Introduction & Initialization

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08.04.2024  
Biel



University of St.Gallen



# Content Chapter 1

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## 1. Introduction

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2. Initialization and Preparation

3. Context Analysis

# Supply Chain Viability and the Goal of the Stakeholder Analysis

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- In the past, supply chain management mainly focused on efficiency and cost savings. However, recent events such as the COVID-19 pandemic, the war in Ukraine, the Taiwan conflict, and the climate crisis have highlighted the importance of resilience and sustainability alongside efficiency for companies.
- To meet future challenges, companies must consider all three dimensions: efficiency, resilience, and sustainability. We call this concept "Supply Chain Viability." By optimizing these three aspects equally, companies can better navigate future challenges and move away from solely prioritizing profit and exploiting nature.
- Viability represents not only a theoretical approach but also a path toward a new economy where we can meet the needs of various stakeholders.
- The Stakeholder Profiler helps companies identify relevant stakeholders along their supply chain and understand their efficiency, resilience, and sustainability requirements. Companies can prioritize actions and develop future-proof "viable" supply chain strategies by knowing stakeholder demands.

# Structure of the Stakeholder Analysis

## Chapter 1: Initialization

### Initialization & Preparation

- Team Set-up
- Definition of Objectives
- Information Gathering

### Context Analysis:

- Scope Definition
- Supply Chain Performance
- Supply Chain Mapping

## Chapter 2: Stakeholder Identification

### Stakeholder Identification

- Brainstorming the Stakeholders
- Crosscheck with Stakeholder Map

### Stakeholder Prioritization

- Important Stakeholders
- Power Interest Matrix

## Chapter 3: Requirements Identification

- Identification of Existing Knowledge
- Introduction to Stakeholder Requirements
- Key Insights from Research
- Data Gathering
- Evaluation & Prioritization

## Chapter 4: Strategy Development

- Development of a Roadmap
- Development of a Viable Supply Chain
- Identification of Synergies between Efficiency, Resilience & Sustainability

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## 1. Introduction

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### a. Team-Setup

### b. Definition of Objectives

### c. Information Gathering

## 3. Context Analysis

## Task: Form an Interdisciplinary Team



- Form an interdisciplinary team with different key roles. Typical functions:
  - Supply chain management, logistics, sourcing and procurement, quality management, marketing, finance, environmental, sustainability, IT, sales/customer support, production, and business performance.
  - Bring in roles from different age groups and levels of experience.
  - A chief Supply Chain Officer may be found in larger organizations; in smaller corporations, product managers could be responsible for SCM.
- Initiate a Kick-Off meeting where you introduce the project and ensure everyone is informed about the basics of supply chain viability.
- You can save your notes in our template “Team-Setup”.

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a. Team-Setup

**b. Definition of Objectives**

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## Task: Define a Goal for the Stakeholder Analysis



- The Stakeholder Analysis helps you:
  - Identify key stakeholders shaping your supply chain decisions
  - Understand their needs and expectations regarding your supply chain
  - Gain a comprehensive view of your supply chain environment from various stakeholder perspectives
- Ultimately, it enables the focal company to:
  - Establish a sustainable supply chain in the long run
  - Enhance awareness of future supply chain trends
  - Improve stakeholder satisfaction
  - Identify risks and opportunities across the supply chain
- Determine a realistic time frame for the implementation:
  - For the short version, you will need approximately 1-2 month
  - For the extensive version, you will need approximately three month
- Feel free to use our "Goals" template to document your objectives. We suggest to discuss the objectives in a short workshop with your core team.



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## Task: Identify Existing Stakeholder-Knowledge within your Company

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- Consolidate all available information about your stakeholders from internal and external sources within your company.
- This process aids in forming an initial understanding of your stakeholder landscape.
- Leverage synergies by assigning each team member to gather pertinent information from their specific area of expertise.
- Check the hints on internal and external data sources on the next slides.

## Internal Data Sources

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- Internal company documentation and reports:
  - Where to find: Company intranet, departmental folders, project management tools, organizational charts.
  - What to look for: Previous stakeholder analyses, project reports, annual reports, meeting minutes documenting stakeholder interactions.
- CRM (Customer Relationship Management) systems:
  - Where to find: Sales and marketing departments.
  - What to look for: Contact details, communication history, customer feedback, contract details, contract registers that can give an indication of customer and partner requirements and expectations.
- ERP systems (Enterprise Resource Planning):
  - Where to find: Logistics, purchasing, production and finance departments.
  - What to look for: Information on suppliers, logistics partners, cost structures that provide insights into the supply chain and potential efficiency or sustainability requirements.

## External Data Sources

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- Industry reports and market studies:
  - Where to find them: Online databases such as Statista, industry associations, and consulting companies.
  - What to look for: Trends, challenges, and best practices in the industry that can highlight stakeholder requirements.
- Trade journals and publications:
  - Where to find: Libraries and online portals for specific trade journals.
  - Articles and studies that provide insights into new developments, regulatory changes, and industry standards.
- Social media and forums:
  - Where to find: LinkedIn, industry forums, Twitter.
  - What to look for: Discussions, comments, and posts by and about stakeholders that reflect their opinions, concerns, and requirements.
- Legal and regulatory publications:
  - Where to find: Official government and regulatory agency websites.
  - What to look for: Laws, standards, and guidelines that could impact your stakeholders and impose requirements on your products or processes.

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### **a. Scope Definition**

b. Evaluating the Supply Chain Performance

c. Supply Chain Mapping

d. Evaluating the Existing Technological Landscape

# Task: Define the Bounderies for the Stakeholder Analyzation



- Define the scope of the analysis by specifying which areas, product lines, or departments of your company are included.
- Typically, SMEs consider their entire organization, but it could also be limited to specific parts.
- Feel free to use our "Scope" template to document your results.

Scope

List all products, product lines, and departments for analysis in this project.

Scope Nr.	Description
1	
2	
3	

Out of Scope

Clearly outline aspects that will not be part of this project.

Out of Scope	Description
1	
2	
3	

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a. Scope Definition

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## Task: Conduct a PESTEL- and SWOT-Analysis



- We suggest developing both frameworks with your team.
- For both frameworks, you could describe two perspectives:
  - The current state (Status Quo)
  - The possible future state (what has to be expected)
- Summarise the results and identify the most important findings.
- Feel free to use our templates «PESTEL» and «SWOT»

INTERNAL FACTORS		
STRENGTHS (+)		IMPORTANCE
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		

INTERNAL FACTORS		
WEAKNESSES (-)		IMPORTANCE
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		

EXTERNAL FACTORS		
OPPORTUNITIES (+)		IMPORTANCE
1		
2		
3		
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7		
8		
9		
10		

EXTERNAL FACTORS		
THREATS (-)		IMPORTANCE
1		
2		
3		
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6		
7		
8		
9		
10		

Political Factors	
Factors	Current State
<b>Governmental Orientation:</b> Analyze how trade policies, tariffs, and political stability influence sourcing decisions, supply chain costs and overall supply chain performance.	
<b>Regulatory Changes:</b> Consider the impact of changes in transportation and environmental regulations on supply chain operations.	
<b>Disruption Potential:</b> Evaluate the risk of supply chain disruptions due to political instability in key supplier countries.	
<b>Other:</b> Political orientation in your countries, local/national elections, taxation, trade unions, wars, pandemic policies...	

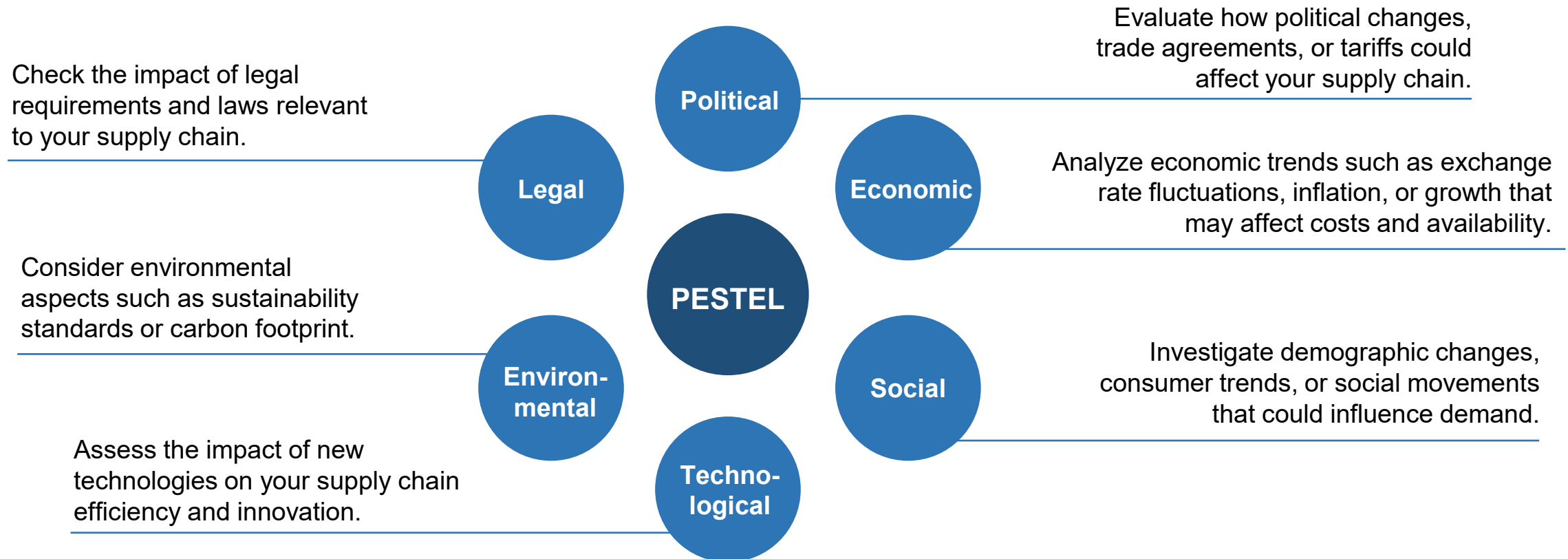
  

Economic Factors	
Factors	Current State
<b>Global Economic Trends:</b> Assess how fluctuations in global markets, such as changes in commodity prices or foreign exchange rates, affect the cost of goods and supply chain budgets.	
<b>Interest Rates and Inflation:</b> Explore how these could impact the cost of capital and operating costs.	
<b>Stability of Financial Markets:</b> Analyze the impact of economic downturns on demand forecasts and inventory strategies.	
<b>Others:</b> Employment rates, business cycles, overall economic situation in your countries...	



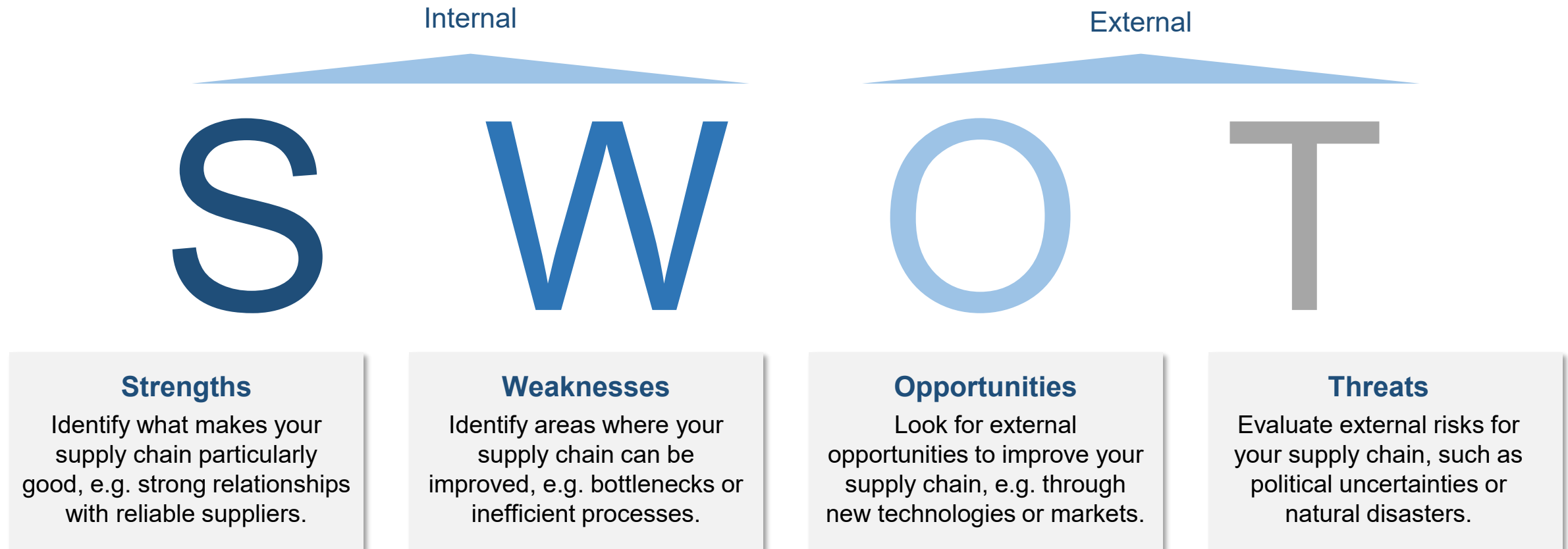
## PESTEL Framework

- The PESTEL analysis helps to understand the macroeconomic environment in which your supply chain operates. It considers political, economic, social, technological, environmental and legal factors.



## SWOT-Analysis

- The SWOT analysis focuses on the internal strengths and weaknesses of your supply chain as well as on external opportunities and threats.



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## Task: Develop a Supply Chain Map

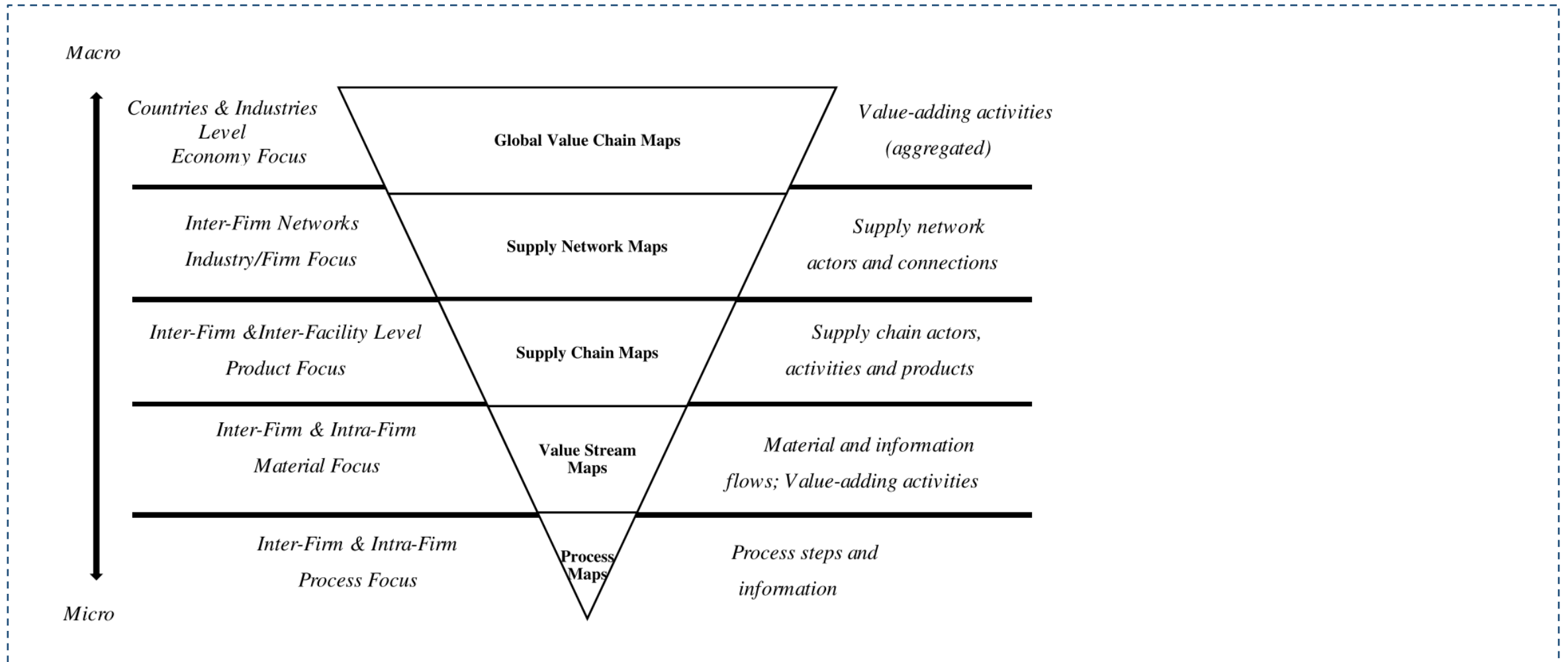


- Generate a supply chain map with your team based on the specified scope, setting clear boundaries for the map.
- Look at the introduction to supply chain mapping and related techniques on the following slides for guidance.
- Decide how detailed you want the map to be. We suggest keeping it simple by focusing on the most essential parts of your supply chain network.
- The supply chain map will make it easier to discuss stakeholders later.

## Mapping as the Basis for Increasing Viability

- Supply chain mapping documents a supply network's relationships and material flows. This enables companies to identify and evaluate strategic information such as problem areas and risks. The supply chain map serves as a basis for the targeted development of supply chains and provides a comprehensive "big picture."
- A useful supply chain map should cover three main aspects:
  - Companies and suppliers involved, including your own company
  - Technologies used in the supply chain
  - Capabilities that influence the operational conditions of the supply chain (e.g., just-in-time).
- Supply chain mapping is not the same as a detailed process map, although it can be descriptive of the current or prescriptive of a possible future state of the supply chain. Standardized symbols are crucial in both cases.
- Creating a detailed supply chain map requires resources and time. We recommend that you first create an initial draft and then work continuously on improving and deepening the map. The transparency achieved through the supply chain map is fundamental for efficiency, resilience, and sustainability and supports the development of future-proof supply chain strategies – the main objective of this profiler.

# The Variety of Mapping Levels



# Geometrical Attributes of Supply Chain Maps

Attributes	Description
Tiers	The "tiers" in the supply chain represent different levels of suppliers, starting with the raw material suppliers (tier n) through to the manufacturer of the end product (tier 1). This hierarchy illustrates the complexity of the supply chain and shows the degree of traceability.
Direction	It shows the supply chain's flow of materials, products, and information. Arrows or lines visualize this flow and allow the traceability of raw materials to the end customer.
Level of aggregation	Specifies the level of detail with which the supply chain is displayed. A high level of aggregation means that the map only shows the main actors and flows. In contrast, a low level of aggregation contains detailed information about each stakeholder and each process step.
Geographical location	Shows the physical locations of all stakeholders and production sites, including countries and cities.

## Perspective Attributes of the Supply Chain Map

Attributes	Description
Focal point	Determines the main focus or interest of the map by focussing on the company, the industry, a market or the customer.
Scope: Product width	Determines the scope of the products or product lines shown in the map, varying from individual lines to comprehensive portfolios, depending on the objectives and the defined scope.
Scope: Depth of the mapped processes	Describes the representation of important processes in the supply chain on the map, from raw material procurement to production, distribution and customer service.
Scope: Cycle time	Includes the various cycles within the supply chain that are depicted on the map (e.g. return channels and feedback loops).

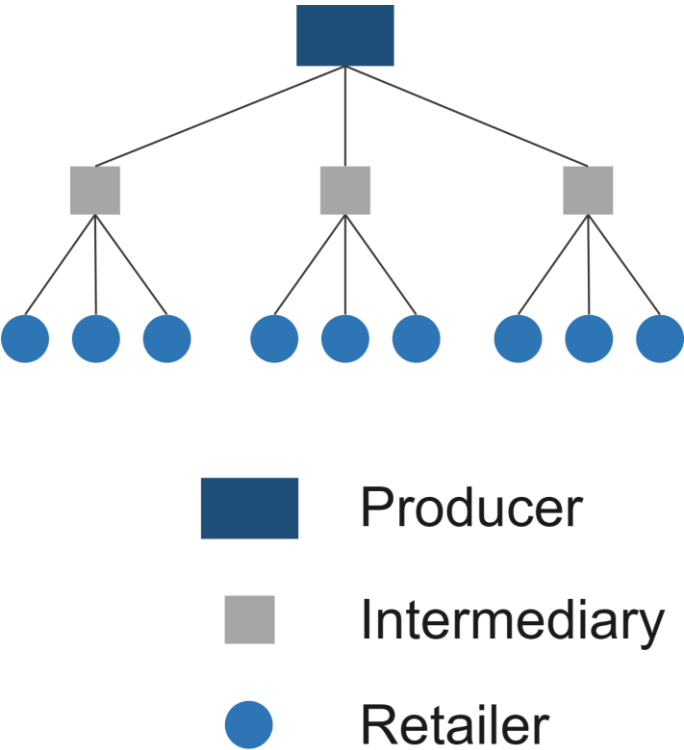


## Functional Attributes of the Supply Chain Map

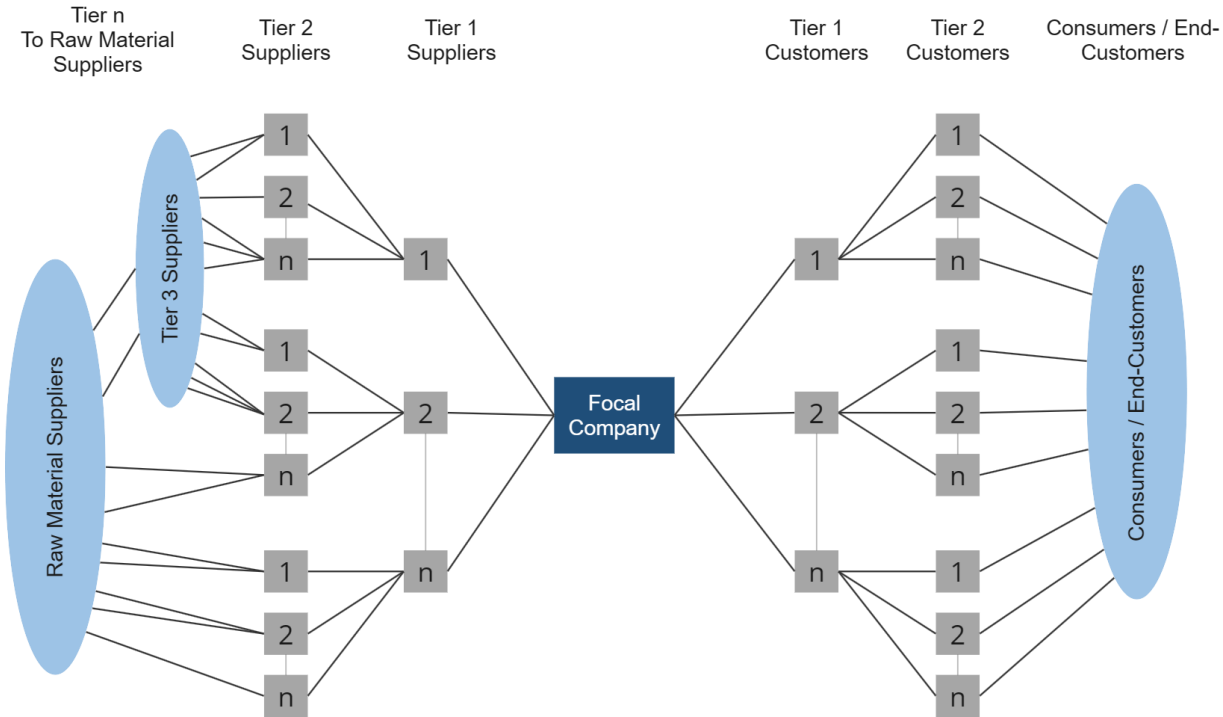
Attributes	Description
Material and information flow	Shows how materials, products and information flow through the supply chain. This can be visualised using arrows that represent the transport of goods and data.
Critical junctions and bottlenecks	Areas within the supply chain that are particularly susceptible to disruptions or bottlenecks. Can be highlighted using special symbols or colours.
Risk levels	The assessment of the risk levels of different parts of the supply chain based on factors such as political stability, natural disasters or supply reliability. Risk levels can be mapped using a colour-coded scale (e.g. green for low, yellow for medium, red for high).
Capacities and services	Depict the production or delivery capacities of the stakeholders and how efficiently they operate. Can be represented by bar charts or figures next to the respective elements (e.g. KPIs).
Compliance and certifications	Information on stakeholder compliance with industry standards, certifications or sustainability practices. Can be represented by specific icons or badges.
Transport routes and modes	The different transport routes and modes used to move products, including road, rail, air and sea. Can be represented by differently designed or colored lines or icons.

# Different Supply Chain Map Examples

Goods and Information Distribution Hierarchy

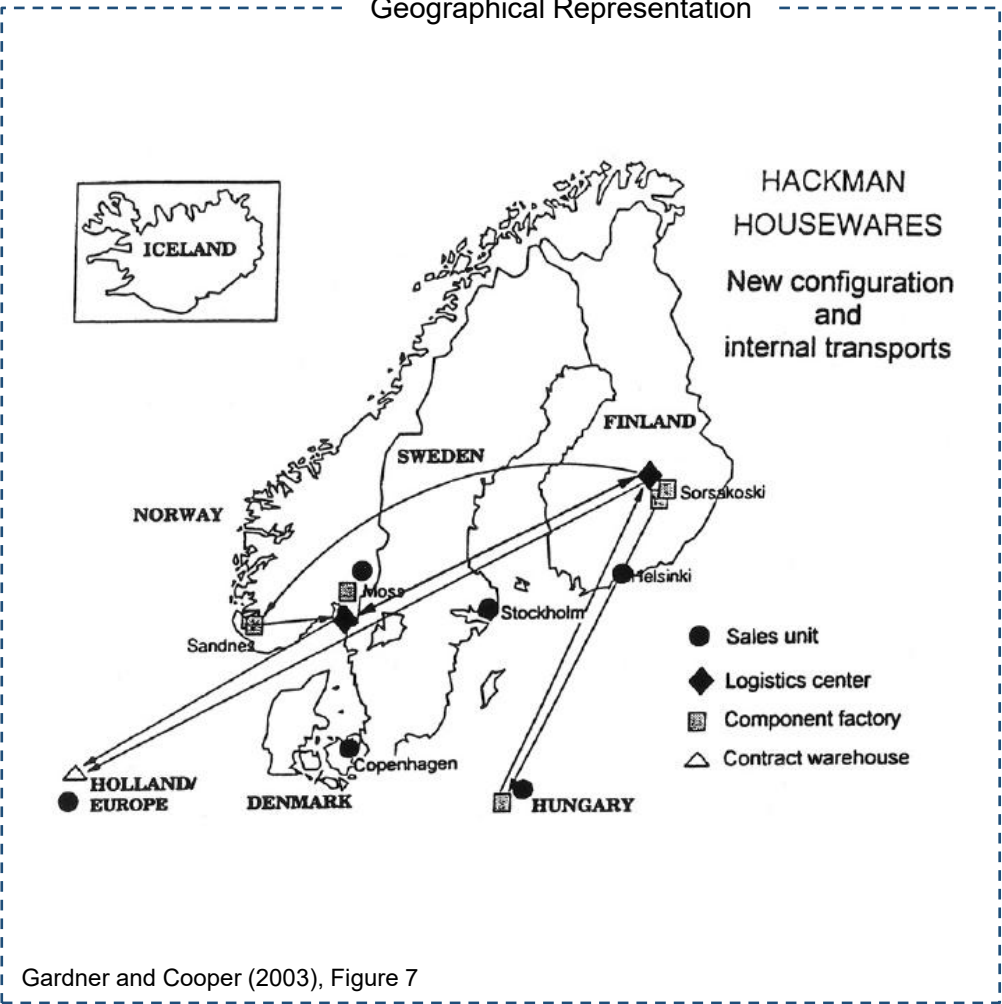


Supply Chain Network Structure

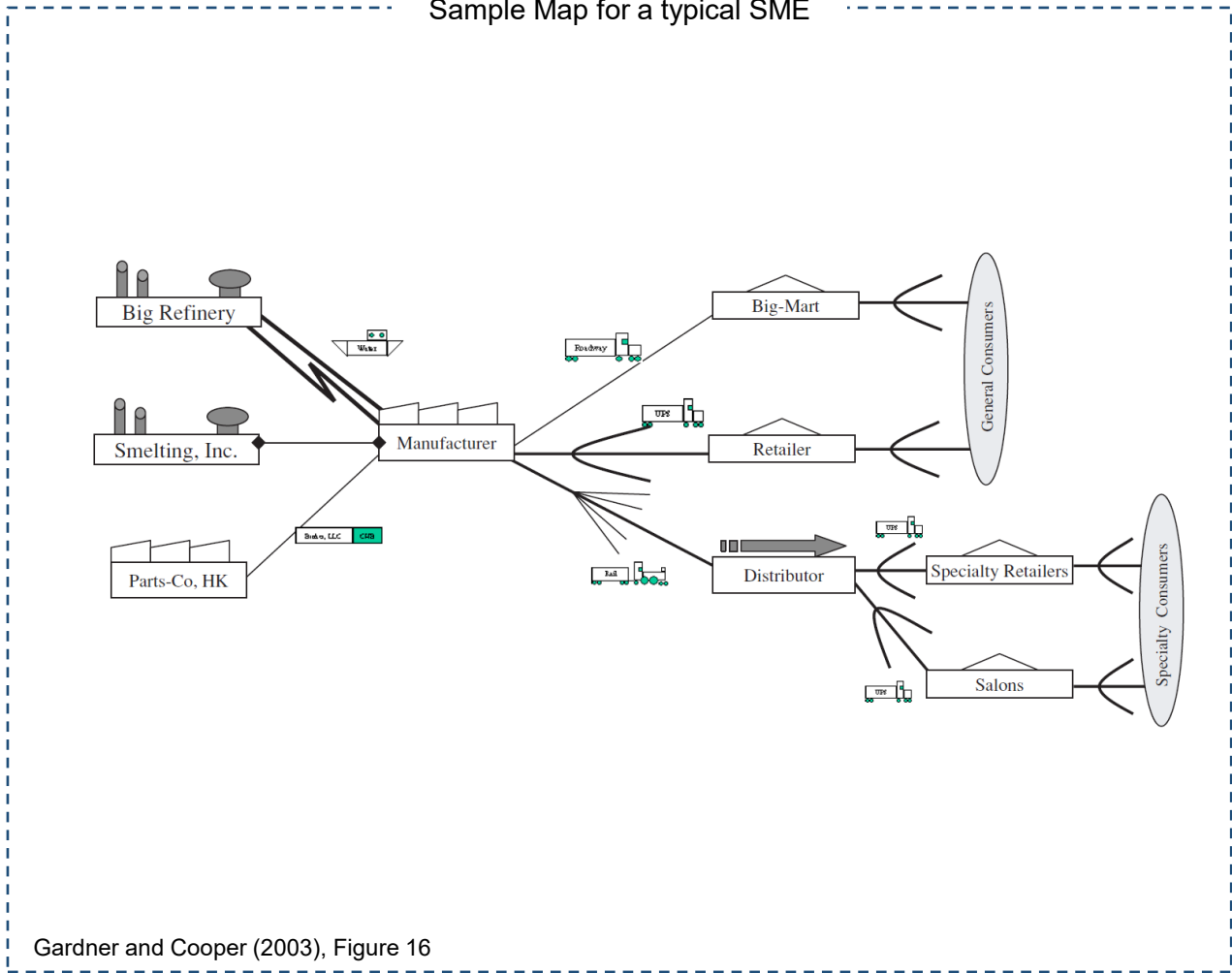


# Different Supply Chain Map Examples

Geographical Representation



Sample Map for a typical SME



# Different Supply Chain Map Examples

Over Supply Network Map

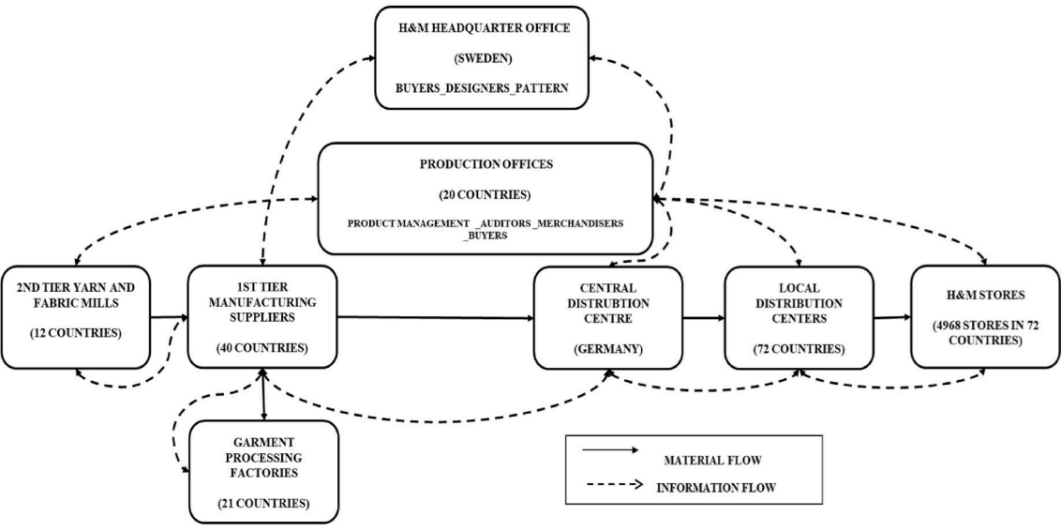


Fig. 5. H&M overall supply network map.

Fraser et al. (2020), Figure 5

Example of a Cobalt Supply Chain Map

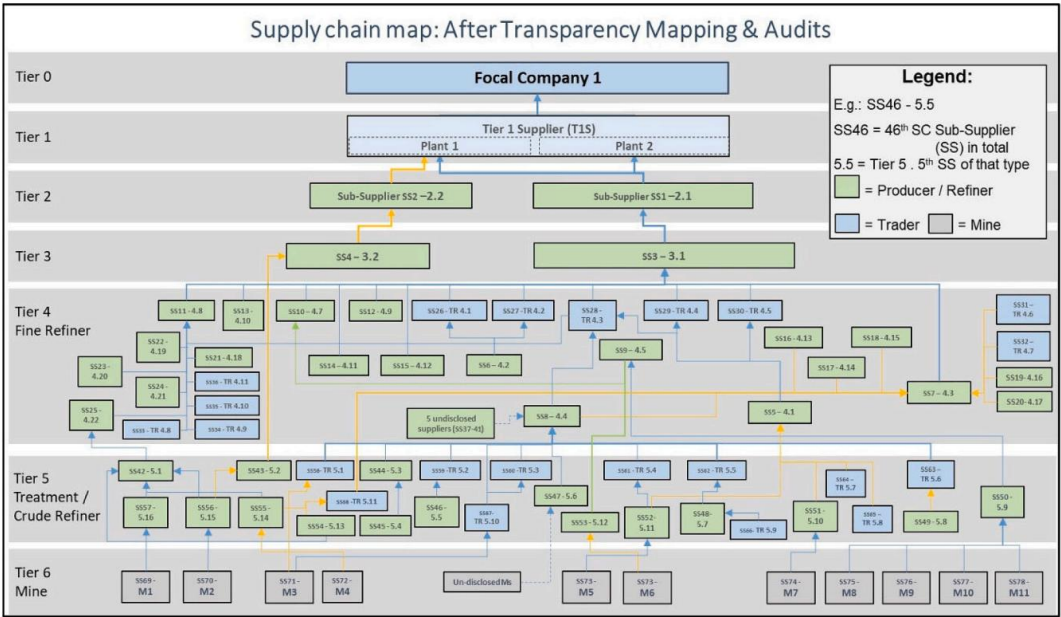


Fig. 3. Example of a supply chain map – Cobalt supply chain map. Source: Fraser et al. (2020).

Fraser et al. (2020), Figure 3

## Data Sources for Supply Chain Mapping

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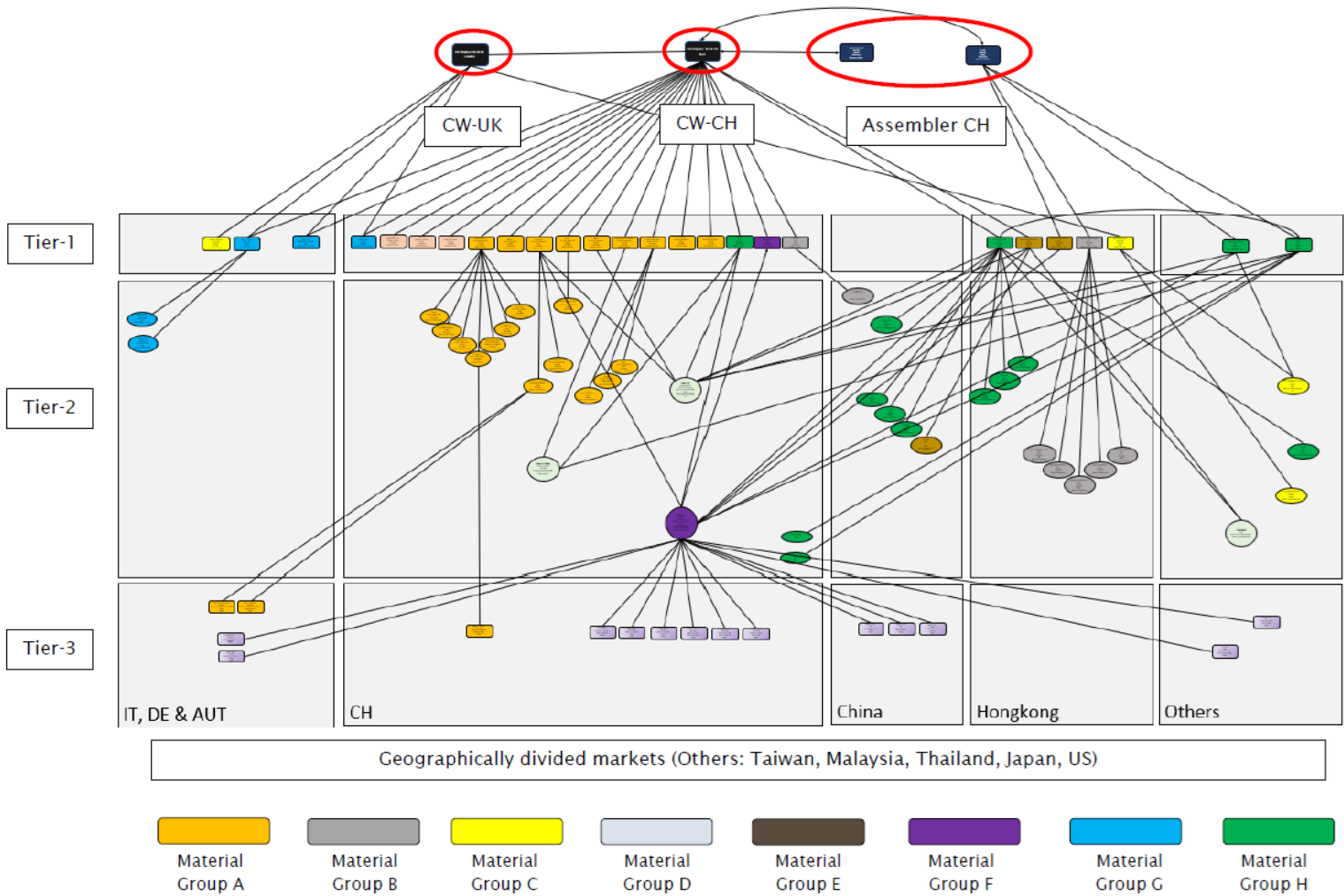
- **Primary data** is collected through interviews, direct observations, company documents and internal systems such as ERP systems. Collecting primary data is resource intensive and often requires the support of senior management. Nevertheless, it provides the best insights into aspects such as lead time, performance and potential risks. In many SMEs, however, it is difficult to collect this data comprehensively due to a lack of time and resources. In addition, suppliers are often reluctant to provide data for fear of competitive disadvantage.
- **Secondary data** is used at higher hierarchical levels and is available through national and international organizations. Try to identify publicly available data sources that are relevant to your industry, such as Harmonized Systems HS or International Standard Industrial Classification (ISIC). Data from chambers of commerce or trade organizations may also be of interest.
- It is recommended to start with secondary data sources at macro and micro level and then gradually add more information through primary data sources. It is important to update the map regularly as supply chains are dynamic.

## Possible Tools and Software Support

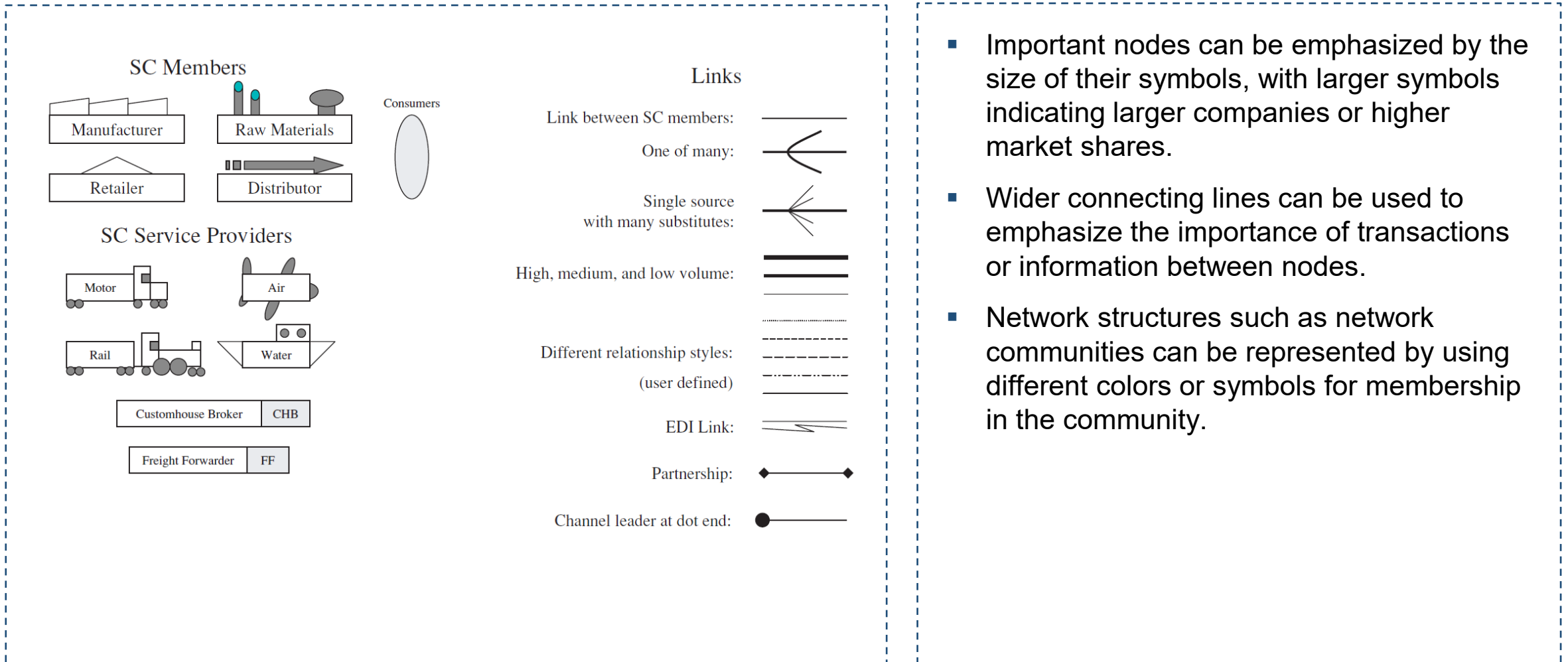
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- The choice of a suitable tool depends on your plans. If your company already has software tools, you can use them. Virtually any tool that visualizes processes and relationships can be used for a simple supply chain map.
- Common tools such as PowerPoint or Microsoft Visio are ideal for pragmatic solutions. They are easy to use and offer standardized templates. Another tool is MIRO, which is also available in a free version. For companies with programming skills, general programming languages such as R or Python with iGraph, Neo4j and NetworkX can also be used.
- There are also a variety of commercial solutions that combine data sources with publicly available data to create detailed maps. Some well-known solutions are Sourcemap, Achilles and Resilinc. For a focus on risk analysis, there are tools such as RiskMethods. Common supply chain planning solutions such as Blue Yonder or Coupa also offer mapping functions if your company has them.

# Simple Supply Chain Map Example: Swiss Case Study for Upstream Suppliers



# Possible Mapping Conventions







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# Stakeholder Analysis

## Chapter 2: Stakeholder Identification

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# Content Chapter 2

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## 1. Stakeholder Identification

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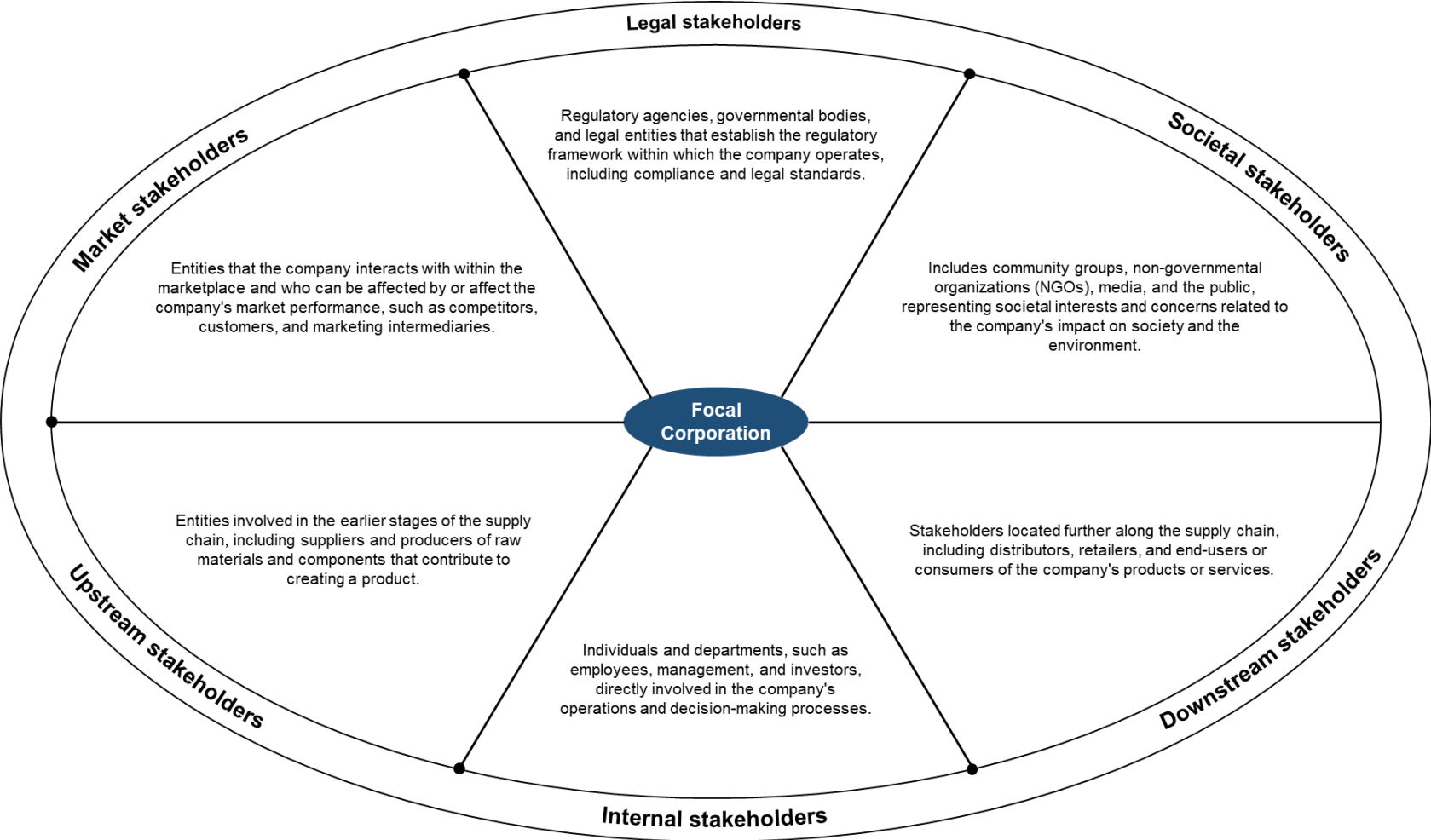
## 2. Stakeholder Prioritization

## Task: Identify Stakeholders in your Supply Chain



- Schedule a workshop with your team to brainstorm and list all potential stakeholders that could impact your supply chain.
- During the session, document each stakeholder and consider their primary interests in terms of efficiency, resilience, or sustainability, along with their level of influence on your supply chain.
- Refer to the framework provided on the next slide to help guide the discussion.
- To organize your findings, utilize the "Stakeholder Identification" template from our toolkit, which includes two different layouts (Stakeholder Register 1 and Register 2).

# Guidance for Stakeholder Brainstorming

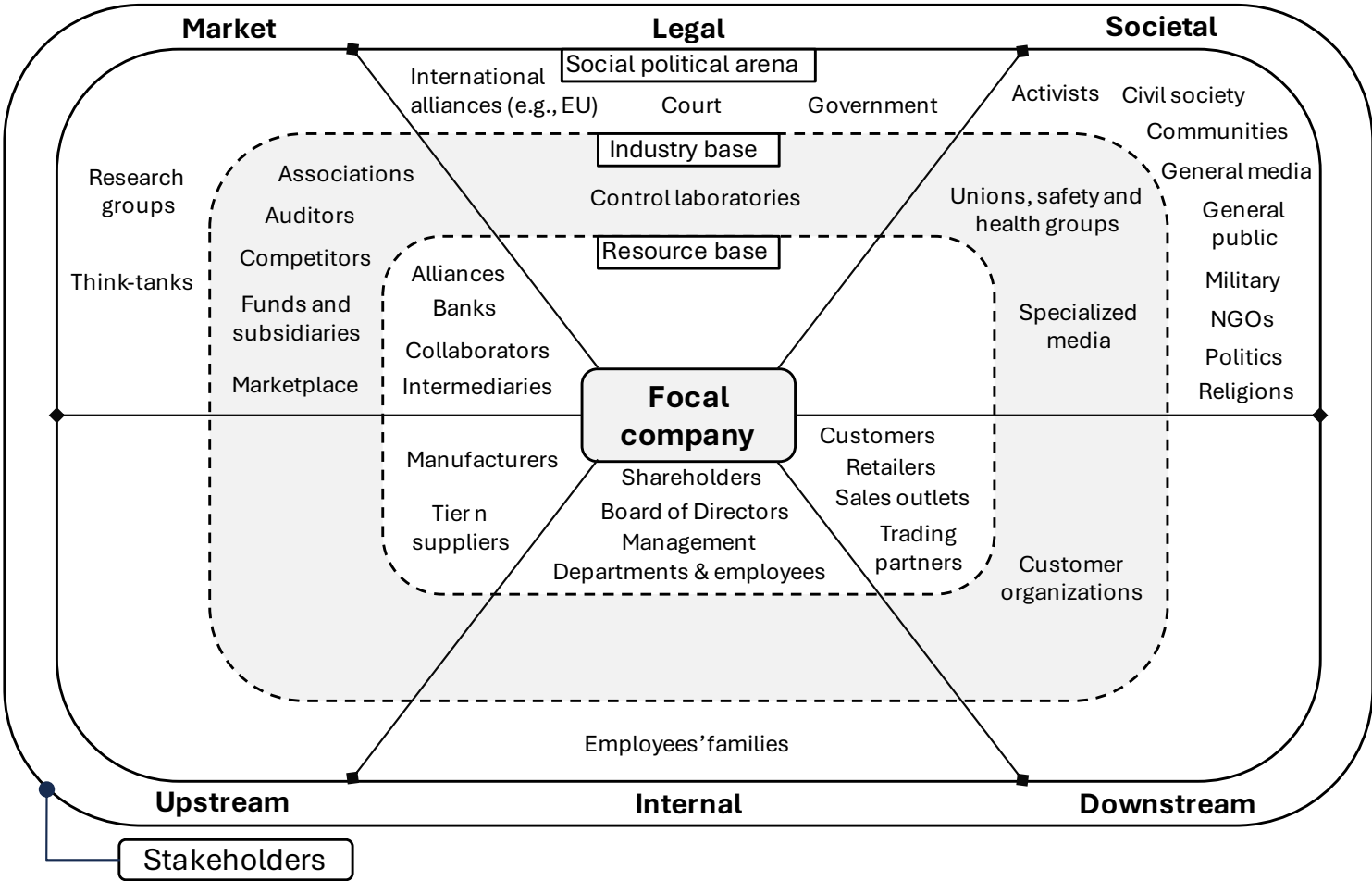


### Task: Crosscheck with Stakeholder Map



- After listing your stakeholders, compare it with the stakeholder map on the next slide. Each class includes different general stakeholders.
- Discuss with your team whether additional stakeholders might affect your supply chain.
- Use the PESTEL and SWOT analyses you have already done to identify relevant stakeholders in different categories.
- You will likely need to conduct additional research to gather more detailed information about the following stakeholders for your specific use case:
  - Customer organizations linked to your product/service
  - Industry/market associations
  - Think-tanks and research groups within your industry/market
  - Environmental regulators in the countries where you operate
  - Safety and health groups and unions in the countries where you operate
  - Key NGOs relevant to your activities

# Stakeholder Map for Crosscheck



# Content Chapter 2

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1. Stakeholder Identification

**2. Stakeholder Prioritization**

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## Task: Evaluate the Interest & Power of each Stakeholder



- Assess each identified stakeholder by considering the following factors:
  - Their interest in efficiency, resilience, or sustainability.
  - The level of their interest (high, medium, or low).
  - Their influence or power on your company and supply chain, including their ability to impact decisions or activities.
- Refer to our research results on the next slide for guidance but remember that stakeholder prioritization may differ based on your use case.
- Utilize our Stakeholder Register template for this prioritization process.

INTEREST IN (Drop-down)	LEVEL OF INTEREST (Drop-down)	POWER (Drop-down)
Resilience	High	High
Efficiency	Medium	Medium
Sustainability	Low	Low

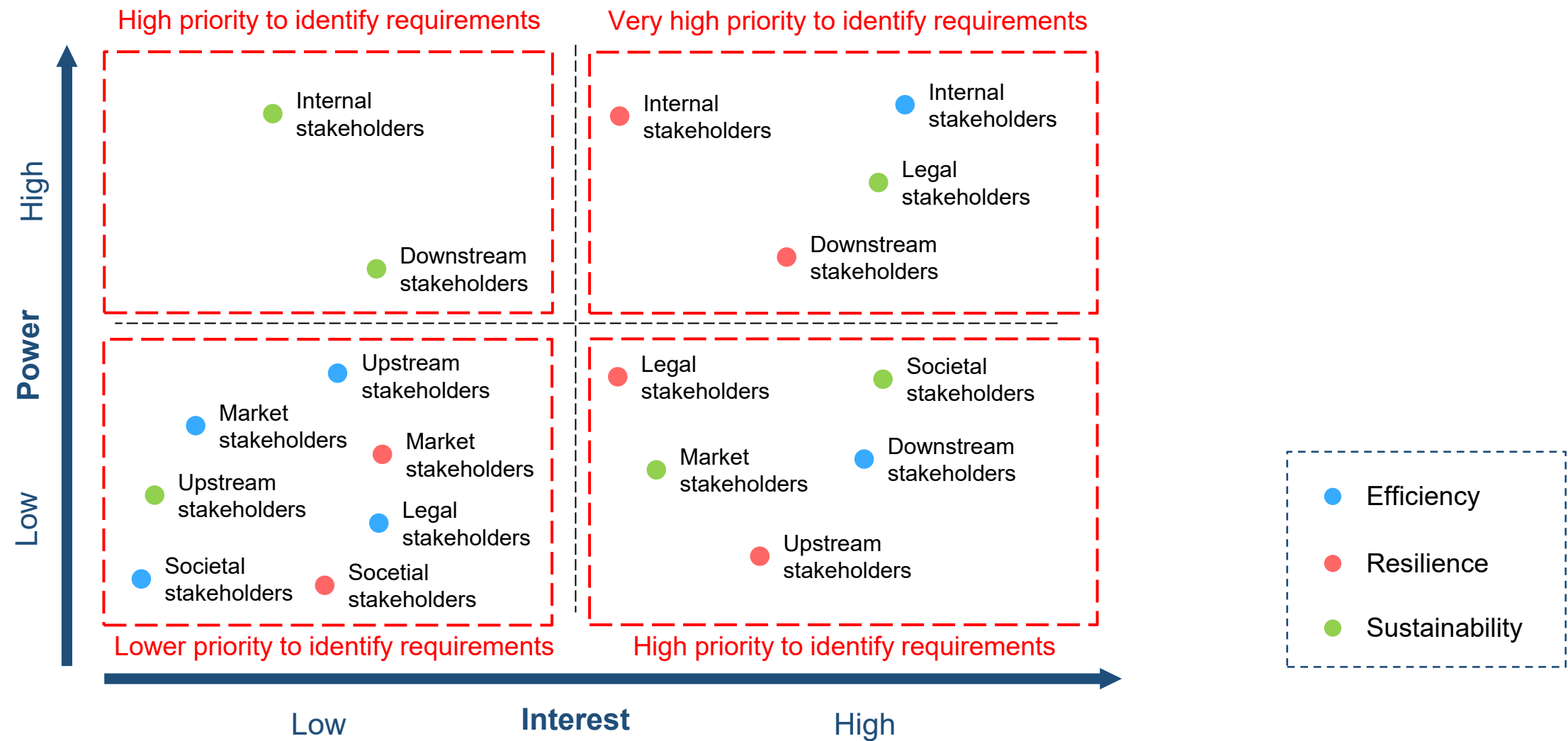
Main interest of each stakeholder. They may have multiple columns since they could be interested in all three dimensions.

Stakeholder's interest level in the chosen dimension.

Stakeholder's influence on your organization.



# Interest vs. Power Matrix



## Key Findings from our Project on Stakeholder Prioritization

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- Market Stakeholders, such as competitors, are crucial as they stimulate business activity.
- The environment and community are closely linked to upstream stakeholders.
- The focal company receives many requirements from downstream stakeholders, i.e., customers, and transfers them to upstream stakeholders. These upstream stakeholders must align with these requirements and be considered in the requirements analysis.
- Tier-1 suppliers act as catalysts for further developments upward by enforcing their company's requirements. Understanding their needs well promotes collaboration.
- While shareholders and investors are considered separately, they often have similar requirements.
- The customer always takes precedence as value creation stems from them.
- Civil society dictates when/how deliveries occur. Their immediate power over companies is low but can influence them in the long term.

## Task: Identify Your Key Stakeholders



- Decide which stakeholders are important enough to collect detailed requirements in the next phase.
- Review your list of stakeholders and evaluate if each is significant for gathering specific efficiency, resilience, and sustainability requirements.
- You can utilize our template in the stakeholder register for this evaluation.

INTEREST IN (Drop-down)	LEVEL OF INTEREST (Drop-down)	POWER (Drop-down)	RELEVANCE FOR YOU
Resilience	High	High	Very high
Efficiency	Medium	Medium	Medium
Sustainability	Low	Low	Very low

↖  
The stakeholder's  
final importance to  
your organization.

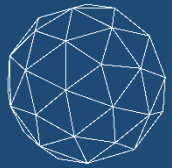
- On the subsequent slides, we suggest a minimal set of relevant stakeholders where gathering more detailed requirements would be beneficial. Based on these recommendations, you can guide your team's discussions.

## Minimal Stakeholder Priority Recommendations

Based on our research, we suggest prioritizing at least the following stakeholders for further investigation of their specific requirements regarding efficiency, resilience, and sustainability in the next chapter:

- Market stakeholders
  - Marketplace and the respective industry expectations
  - Industry associations
  - Main competitors in the market
- Legal stakeholders
  - Laws and regulations
  - Government (incl. governmental agencies)
  - Safety and health groups in your industry
  - If applicable: Financial institutions related to your use case
- Societal stakeholders
  - NGOs related to your use case
  - Civil society / opinion within your use case
  - Activist groups and surrounding communities

- Upstream stakeholders
  - Tier 1 suppliers
- Focal stakeholders
  - Shareholders and investors
  - Board of directors and top management
- Downstream stakeholders
  - End customers
  - Customer organizations



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# Stakeholder Analysis

## Chapter 3: Requirements Identification

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# Content Chapter 3

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## 1. Identification of Existing Knowledge

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- 2. Introduction to Stakeholder Requirements
- 3. Key Insights Research
- 4. Data Gathering
- 5. Evaluation and Prioritization

## Task: Identify Existing Knowledge about Stakeholder Requirements



- Return to chapter 1 and review the stakeholder information you have identified.
- Document all identified requirements in the "**REQs-FROM-Stakeholders**" template within the database, noting the respective sources.
- Prioritization will occur later; for now, focus solely on listing the identified requirements.
- For each requirement, specify its relation to "Efficiency", "Resilience", "Sustainability", or mark it as applicable to "All of Them" or "Other".

ID	STAKEHOLDER NAME (Description)	CATEGORY (Drop-down)	REQUIREMENT (Description)	RELATED TO: (Drop-down)
1.1	End Customer	Downstream Stakeholder	(Example) Our customers require fast and accurate maintenance services (and therefore spare parts, even during unexpected disruptions).	Resilience
1.2	Laws & Regulations	Legal Stakeholder	(Example) The EU Supply Chain Act requires our company provide transparency into our supply chain.	Sustainability
1.3	Shareholder	Focal Stakeholder	(Example) Our shareholders require our company to pay a constant return on their investment.	Other
1.4	Supplier 1 from Germany	Upstream Stakeholder	(Example) Our main supplier for product part X expects our company to support him in establishing more efficient processes to lower the production costs.	Efficiency
...	...	...	...	...
...	...	...	...	...

## Content Chapter 3

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1. Identification of Existing Knowledge

### **2. Introduction to Stakeholder Requirements**

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3. Key Insights Research

4. Data Gathering

5. Evaluation and Prioritization



## Task: Explore General Stakeholder Requirements

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- Discover common stakeholder requirements for efficiency, resilience, and sustainability in the supply chain on the following slides.
- These findings are based on our research project and will serve as a foundation for identifying specific stakeholder requirements.
- Later, we will suggest methods for gathering detailed data and prioritizing these requirements.

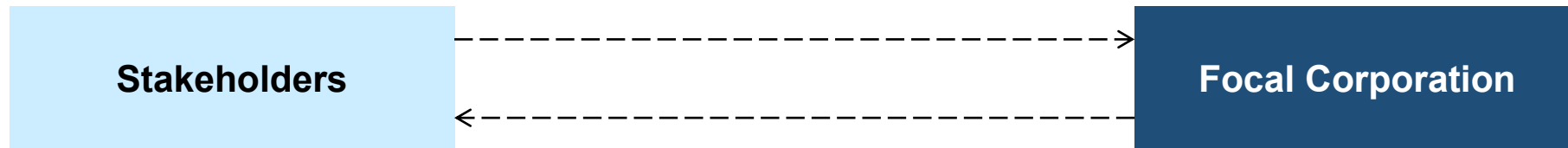
## Introduction into the Standard Requirements

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- Through literature research within the Innosuisse project, our project has identified various stakeholder requirements for the focal company and vice versa (see method on next slide).
- These requirements provide a high-level direction for companies and stakeholders. In the following chapters, it is the goal that you will dive deeper into your stakeholders' specific requirements and contact them to identify their concrete requirements.
- The upcoming slides prioritize these requirements into three categories:
  - Must-have: These requirements are essential for the company's survival and non-compliance poses existential threats, such as violating fundamental laws.
  - Important: Fulfilling these requirements brings significant benefits to the company, but non-compliance can have severe consequences, such as demands from key customers or suppliers.
  - Nice-to-have: The remaining requirements are not critical for the company, though implementing them could enhance its image. Their non-fulfillment does not lead to serious consequences.

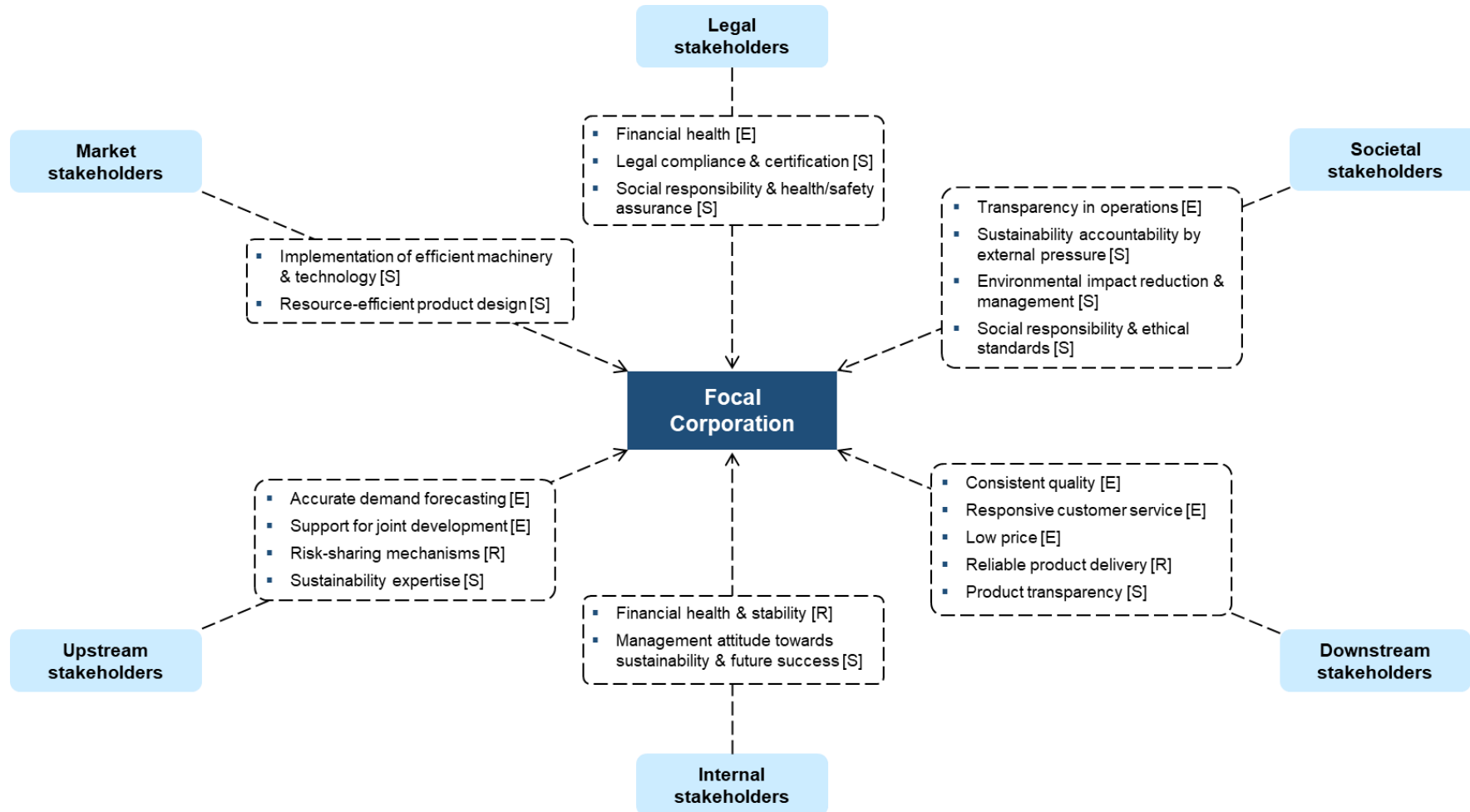
## Requirements flow between the Focal Company and Stakeholders

In most cases, stakeholders communicate their requirements to the focal corporation. For instance, customers may demand sustainably manufactured products, prompting the company to meet these requirements.

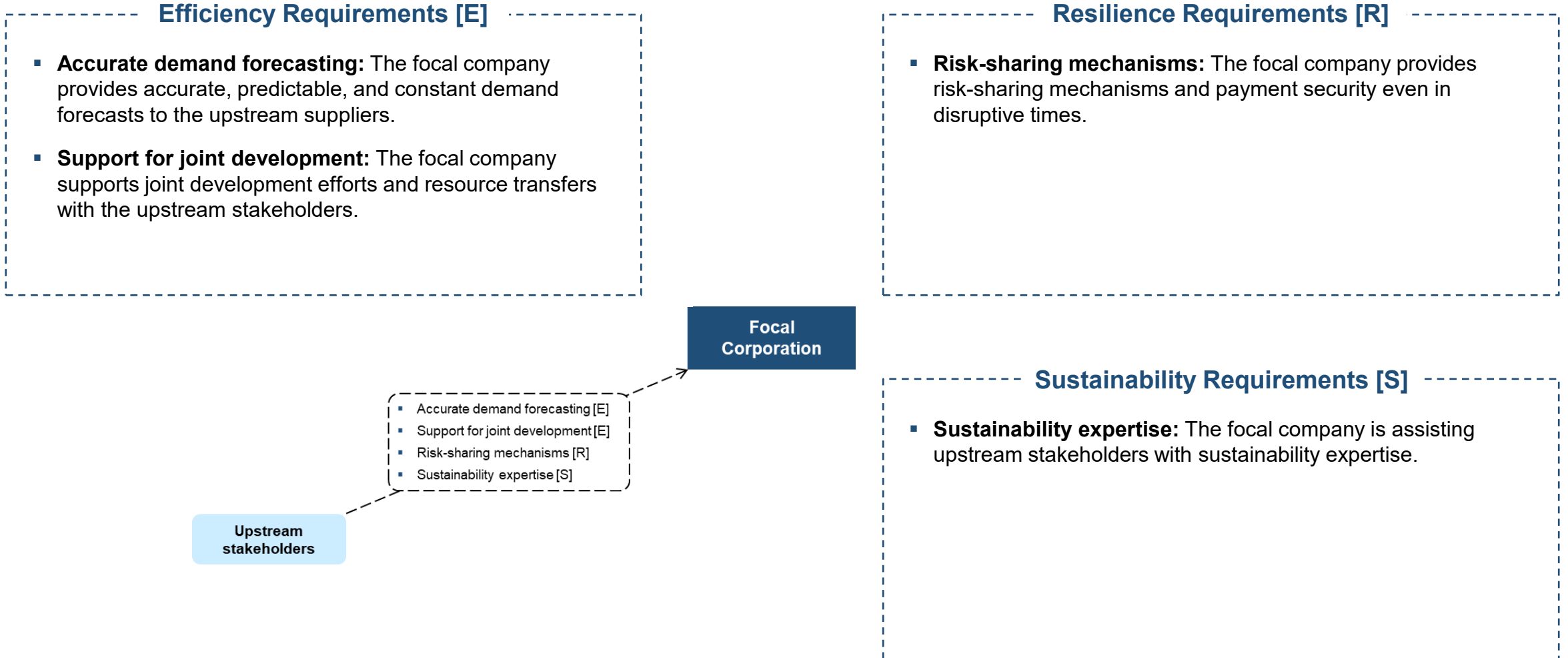


Conversely, the focal company may also impose demands on its stakeholders. For instance, to meet end customers' sustainability requirements, the company may require specific standards from its suppliers. The strategies derived from this profiler will determine the requirements the focal company imposes on its stakeholders.

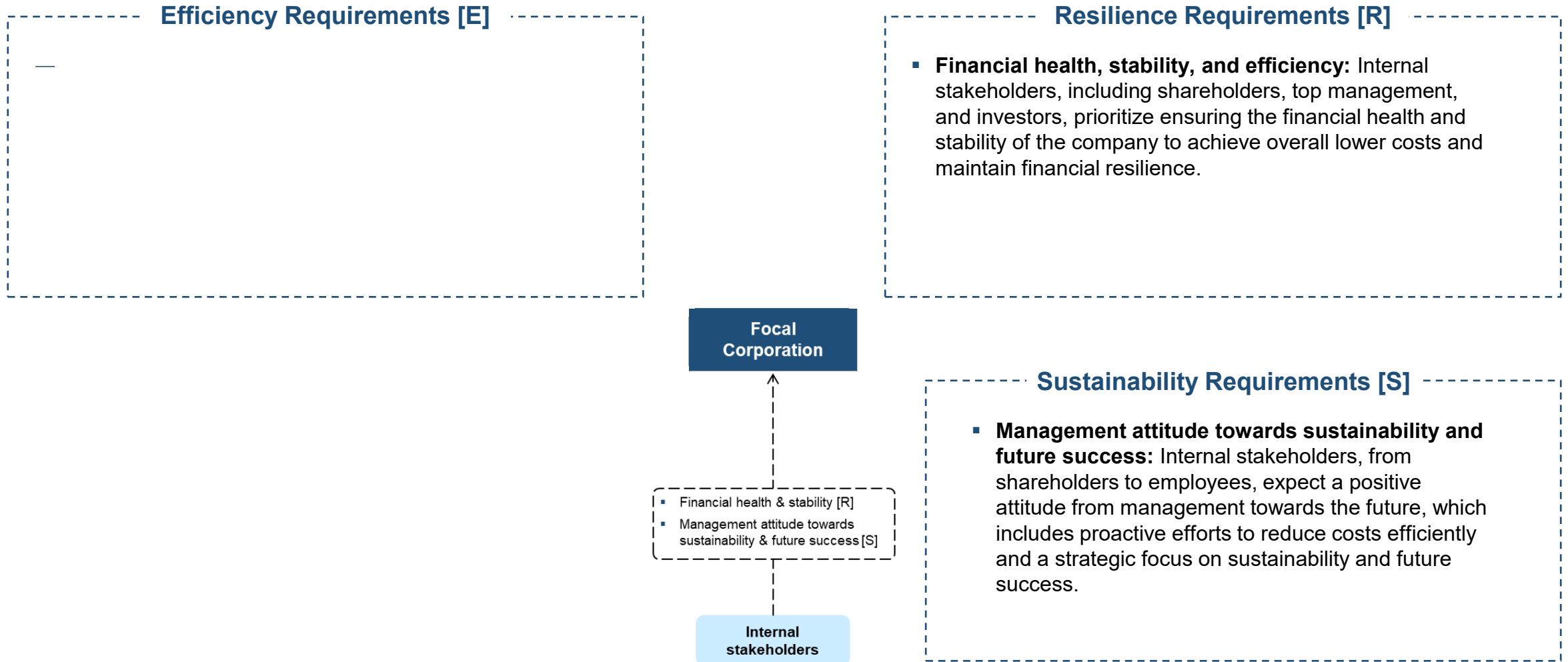
# The Requirements Map shows higher-level Stakeholder Requirements for the Focal Company



# The Requirements of Upstream Stakeholders for the Focal Company



# The Requirements of Internal Stakeholders for the Focal Company



# The Requirements of Downstream Stakeholders for the Focal Company

## Efficiency Requirements [E]

- **Consistent quality:** The focal company delivers the products in consistent quality and on time.
- **Responsive customer service:** The focal company provides responsive and high-quality customer service.

## Resilience Requirements [R]

- **Reliable product delivery:** The focal company delivers the products reliably, even during disruptive times.

## Sustainability Requirements [S]

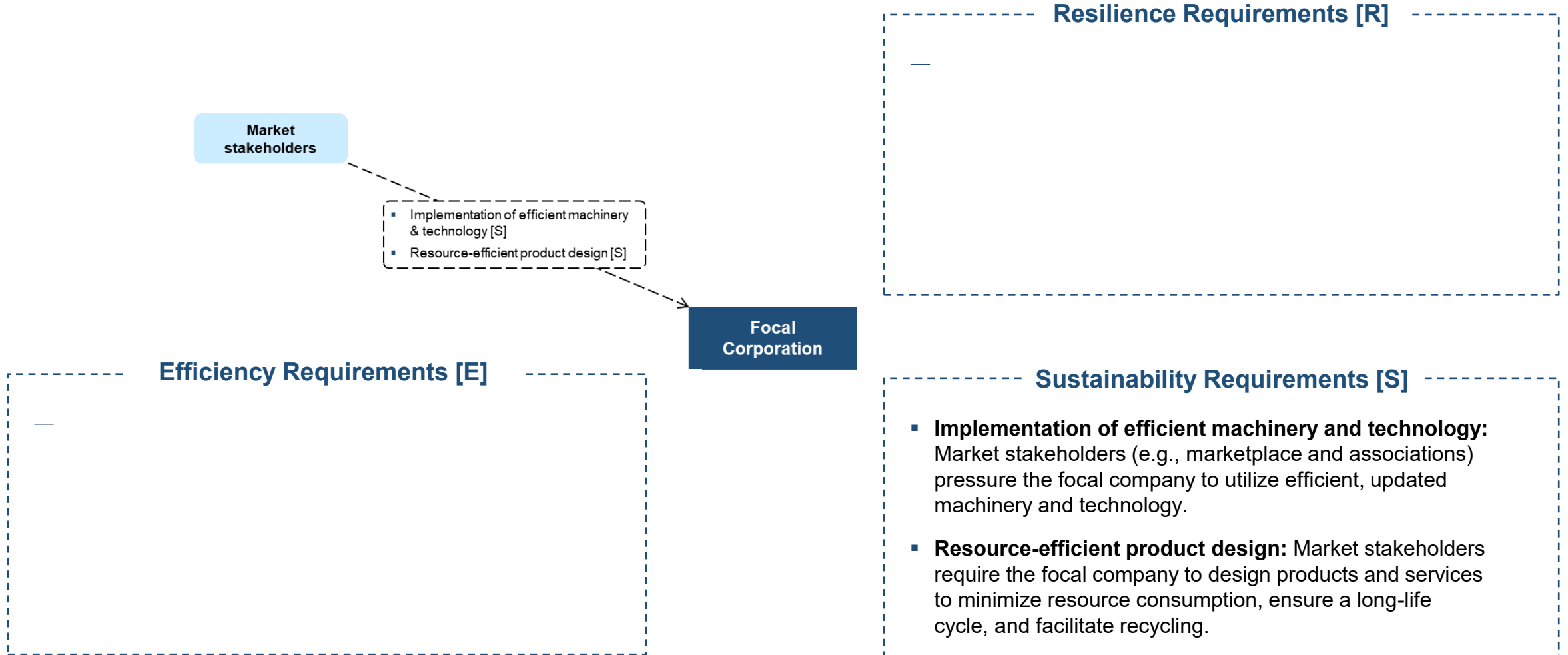
- **Product transparency and identification with the brand:** Downstream stakeholders expect the focal company to offer sustainably and ethically produced products that consumers can identify with. This includes providing transparent information on production and sourcing practices while ensuring affordability.

Focal  
Corporation

- Consistent quality [E]
- Responsive customer service [E]
- Low price [E]
- Reliable product delivery [R]
- Product transparency [S]

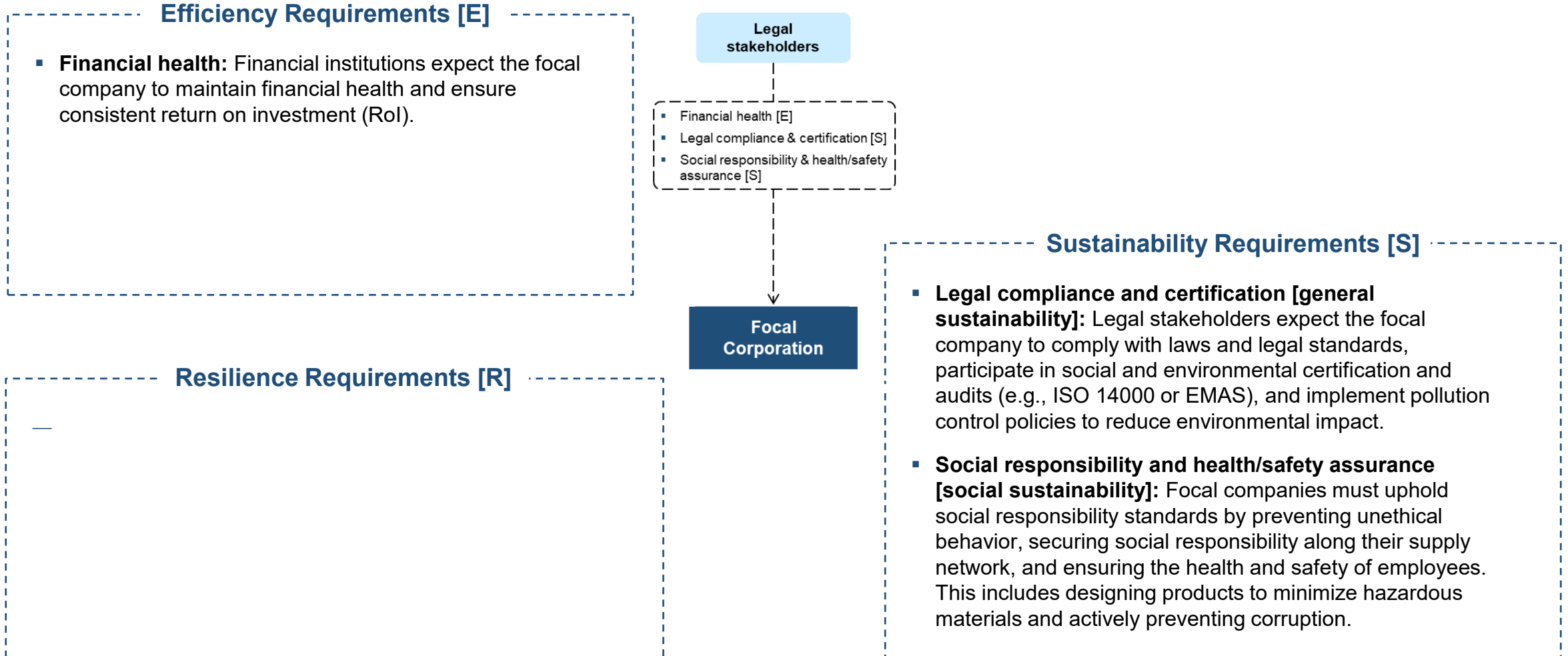
Downstream  
stakeholders

# The Requirements of Market Stakeholders for the Focal Company





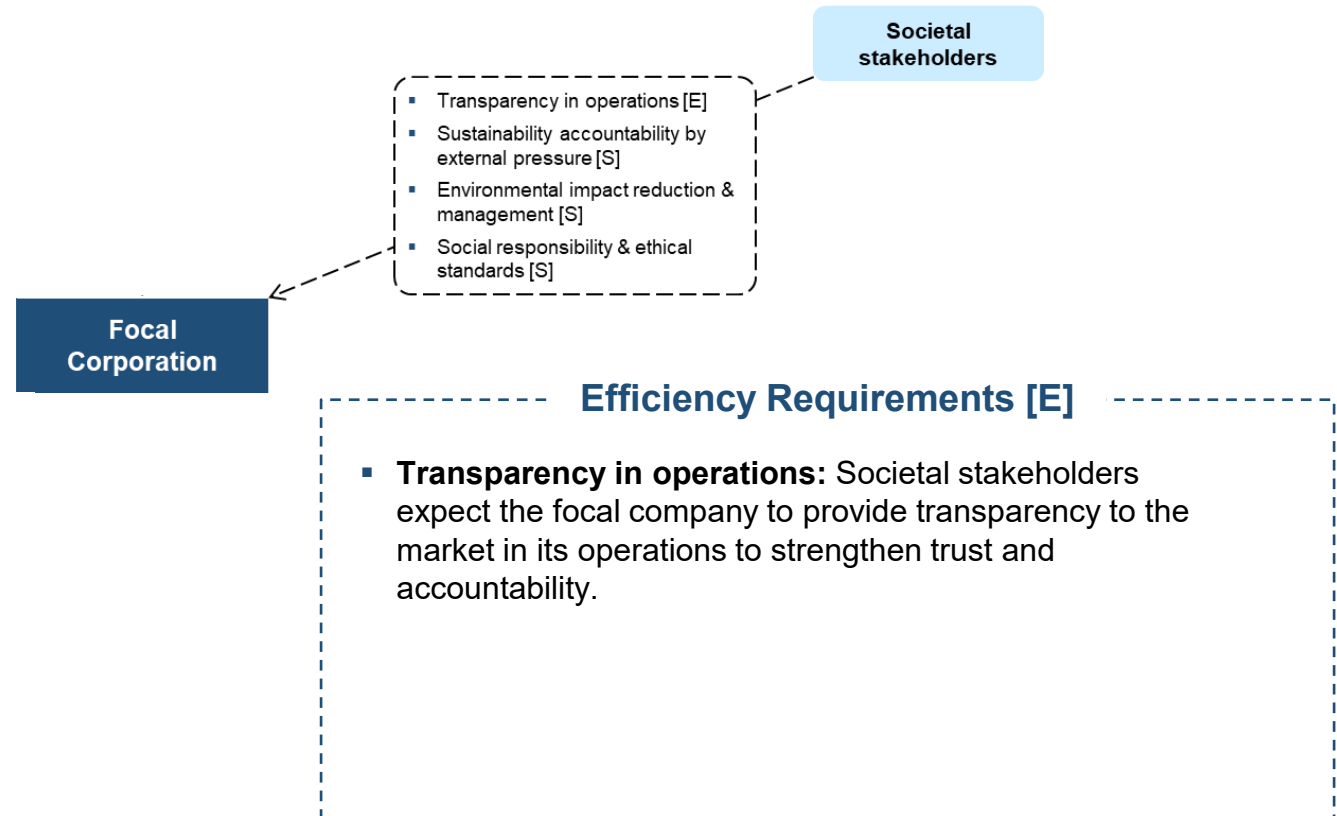
# The Requirements of Legal Stakeholders for the Focal Company



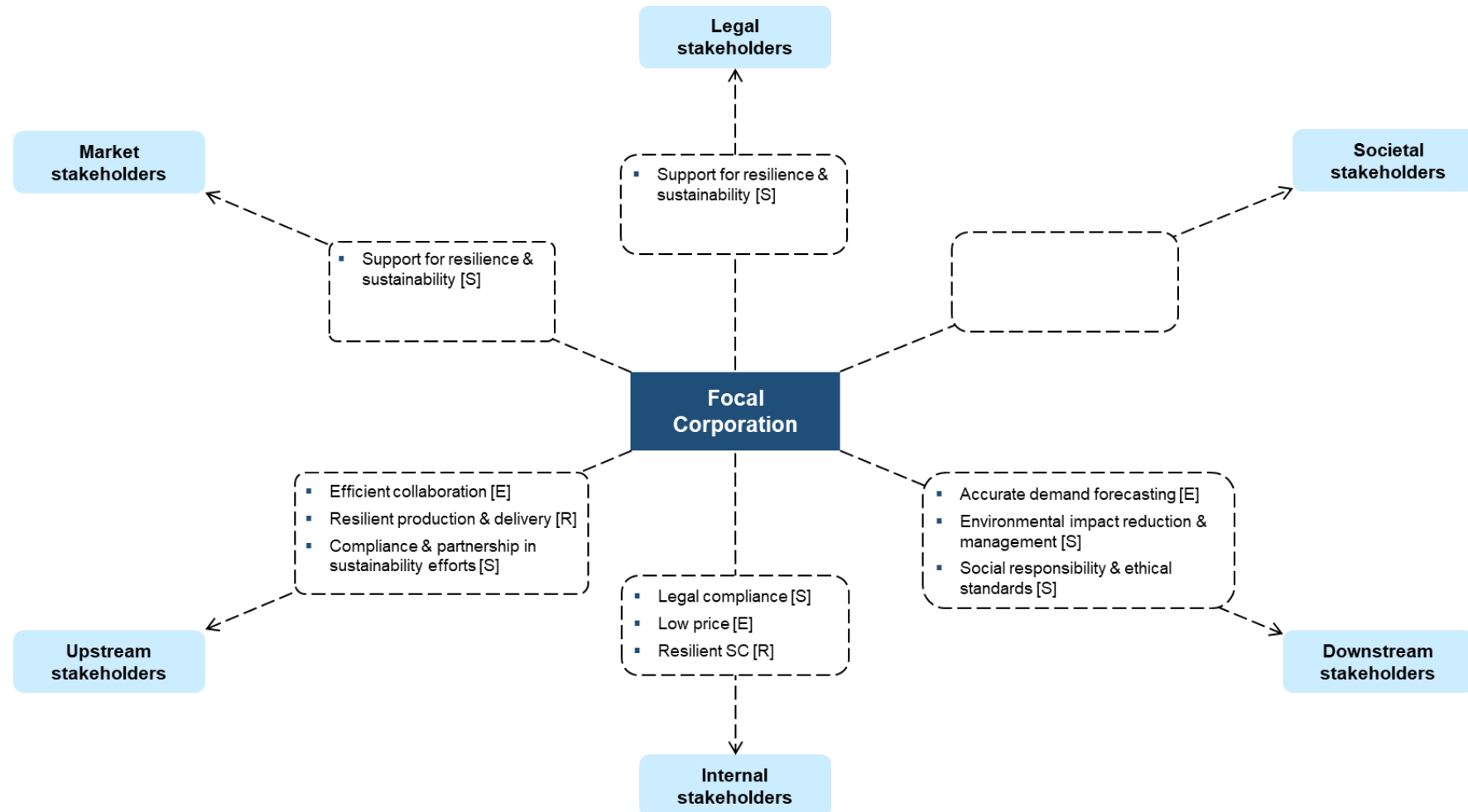
# The Requirements of Societal Stakeholders for the Focal Company

## Sustainability Requirements [S]

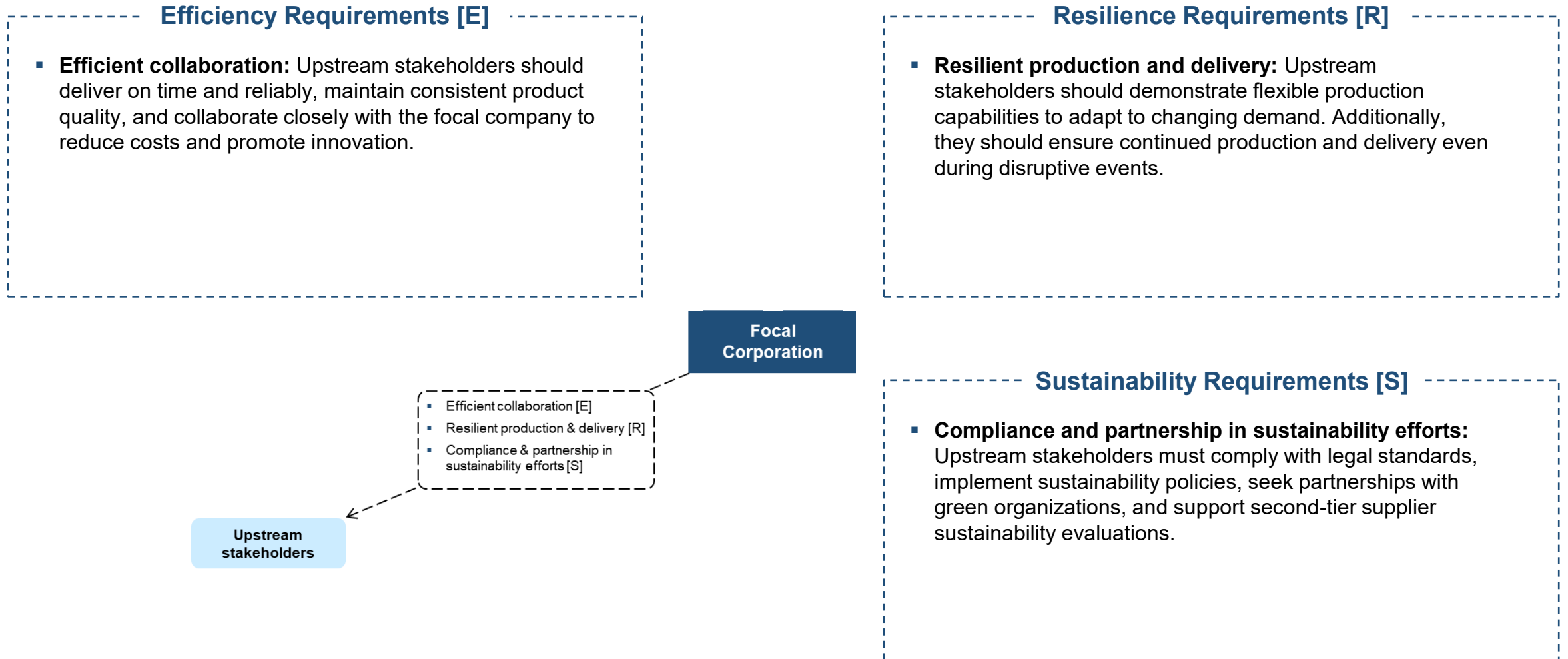
- **Sustainability accountability by external pressure [general sustainability]:** Societal stakeholders demand that focal companies take responsibility for sustainability by establishing external pressure for change.
- **Environmental impact reduction and management [environmental sustainability]:** Societal stakeholders expect focal companies to reduce their environmental impact by investing in environmental improvement, training staff for sustainability measures, and implementing strategies to reduce CO2 emissions, efficiently use resources, and manage waste effectively.
- **Social responsibility and ethical standards [social sustainability]:** Societal stakeholders require focal companies to uphold social responsibility by respecting ethical standards, ensuring fair contracts and wages, preventing discrimination, promoting diversity and equal opportunity, maintaining safe working environments, and creating a positive social impact.



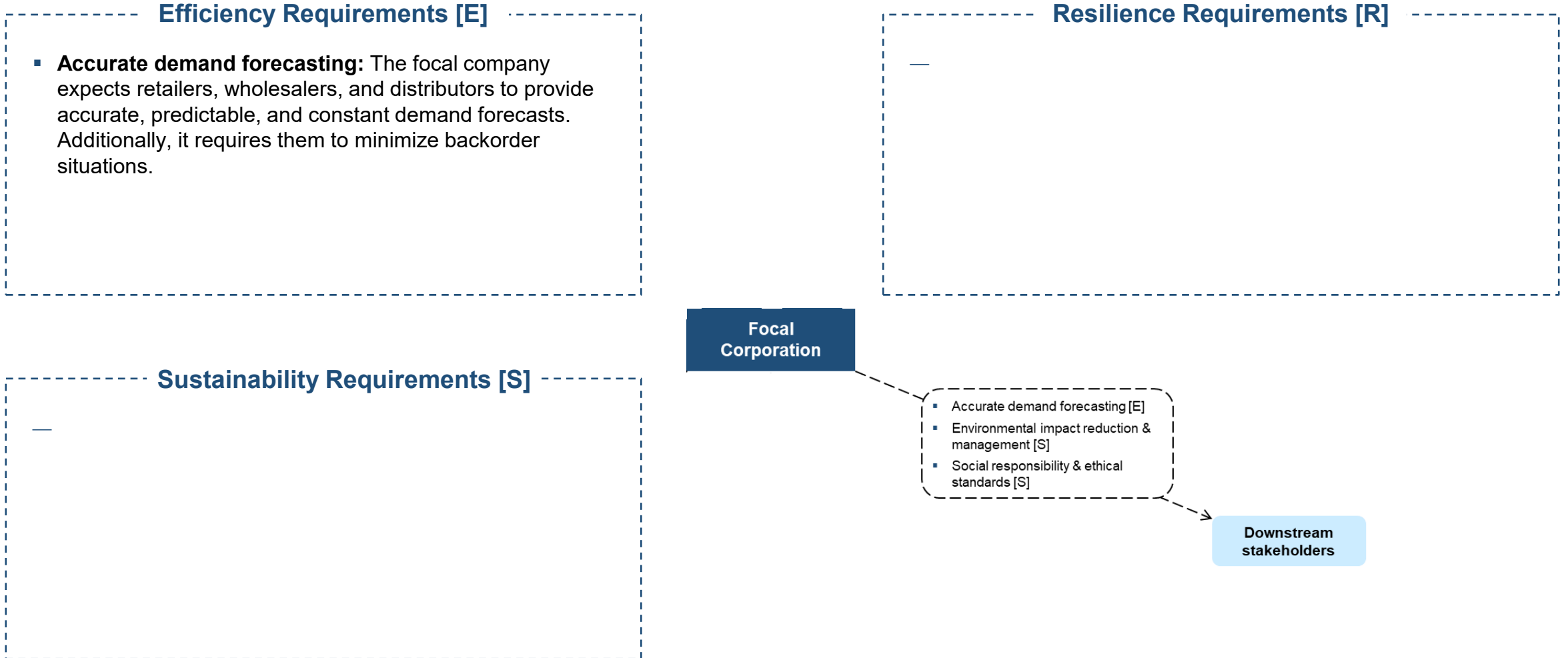
# Higher-level Requirements of the Focal Company for its Stakeholders



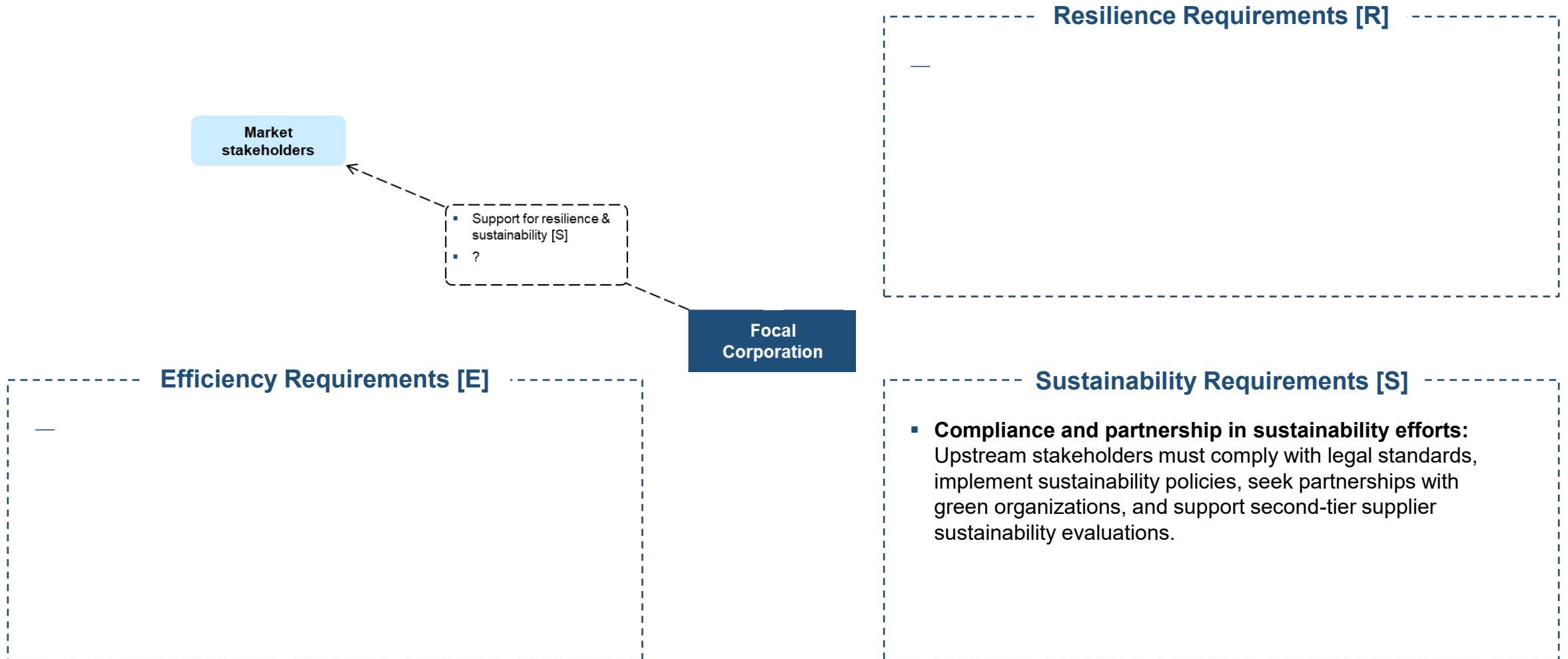
# The Requirements of the Focal Company for the Upstream Stakeholders



# The Requirements of the Focal Company for the Downstream Stakeholders



# The Requirements of the Focal Company for the Market Stakeholders



## Chapter 3: Requirements Identification

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1. Identification of Existing Knowledge
2. Introduction to Stakeholder Requirements

### **3. Key Insights Research**

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4. Data Gathering
5. Evaluation and Prioritization

## Task: Identify Gaps in Stakeholder Requirements Knowledge



- Review the list of stakeholders you identified and prioritized in Chapter 2.
- Check the "Relevance for you" column to determine which stakeholders you need to identify more detailed requirements for. Focus on gathering detailed requirements from those rated as "medium" relevance or higher.

INTEREST IN (Drop-down)	LEVEL OF INTEREST (Drop-down)	POWER (Drop-down)	RELEVANCE FOR YOU
Resilience	High	High	Very high
Efficiency	Medium	Medium	Medium
Sustainability	Low	Low	Very low

- It might be sufficient for the other stakeholders if you consider the general requirements we presented in the previous slides.
- On the next slide, we highlight again the key stakeholders for whom gathering detailed requirement information could be beneficial.



## Consider at least the Following Stakeholders for Detailed Requirements Gathering

- Market stakeholders
  - Industry associations
  - Main competitors in the market
- Legal stakeholders
  - Laws and regulations
  - Government (incl. governmental agencies)
  - Safety and health groups in your industry
- Societal stakeholders
  - NGOs related to your use case
  - Activist groups and surrounding communities
- Upstream stakeholders
  - Tier 1 suppliers
- Internal stakeholders
  - Shareholders and investors
  - Board of directors and top management
- Downstream stakeholders
  - End customers
  - Customer organizations

## Task: Gather Detailed Requirements from Key Stakeholders



- Collect more specific requirements from the most important stakeholders you identified earlier. This is important because our general requirements per stakeholder give a starting point, but your specific stakeholder or use case may have unique needs. Please note that this might require significant effort.
- Research activities may include:
  - Conducting surveys with Tier-1 suppliers
  - Gathering feedback from customers or end-users
  - Reviewing laws in countries where you operate
  - Interviewing your Board of Directors or Shareholders
  - Researching important NGOs relevant to your use case
- The next slide suggests approaches to help you identify these requirements. Feel free to use the templates provided in Chapter 3, including a general survey and interview questionnaire.

ID	STAKEHOLDER NAME (Description)	CATEGORY (Drop-down)	REQUIREMENT (Description)	RELATED TO: (Drop-down)
1.1	End Customer	Downstream Stakeholder	(Example) Our customers require fast and accurate maintenance services (and therefore spare parts, even during unexpected disruptions).	Resilience
1.2	Laws & Regulations	Legal Stakeholder	(Example) The EU Supply Chain Act requires our company provide transparency into our supply chain.	Sustainability
1.3	Shareholder	Focal Stakeholder	(Example) Our shareholders require our company to pay a constant return on their investment.	Other

# Methods for Upstream and Downstream Stakeholders

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- Conduct surveys, questionnaires, and interviews
  - Efficiently collect standardized information from a large supplier group and gain deeper insights into their challenges and requirements.
  - Conduct one-on-one interviews with key suppliers or key customers. Focus on understanding their production processes, innovation capabilities, and supply chain challenges and how you might support them.
  - Google Forms is a suitable tool for online surveys.
  - Check our template surveys for the upstream, internal, and downstream stakeholders.
  
- Additional approaches to gather downstream stakeholder requirements
  - Gather proprietary data: Review customer surveys, suggest data collection improvements (include all dimensions, provide clear KPIs) -> Offer template.
  - Engage directly on social media.
  - Analyze feedback (positive & negative) and customer responses.
  - Monitor online customer feedback.
  - Conduct targeted customer interviews.
  - Utilize social media analytics tools (e.g., Hootsuite or Brandwatch) for sentiment and theme identification.

# Methods for Engaging Internal Stakeholders

- Conduct surveys or interviews with internal stakeholders, focusing on top management, the board of directors, shareholders, and investors.
- Consider organizing a brief workshop for general management to gather insights.
- Feel free to use the template available in our toolkit to conduct internal stakeholder surveys.

## Section "Introduction"

**Question 1:** When considering efficiency, resilience, and sustainability, what area currently demands the most attention from you? Briefly explain why and which topics concern you the most.

## Section "Efficiency"

**Question 2:** What are the most crucial aspects of operational efficiency for your organization, especially when working with us?

**Question 3:** Can you outline any challenges or obstacles that affect operational efficiency in our collaboration?

**Question 4:** What technological tools do you believe are essential for improving supply chain coordination and management?

**Question 5:** When thinking about efficiency in our supply chain, what needs would you like us to fulfill or support?

# Methods for Market, Legal and Societal Stakeholders

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- Market stakeholders
  - Study industry reports from studies, associations, consulting firms, and research institutions, e.g., [Economiesuisse](#), [Swissmem](#), [scienceindustries](#) or [Swiss Cleantech](#).
  - Conduct industry comparisons: Compare processes/performance with leading companies in your industry to identify best practices.
  - Review case studies to learn from previous experiences.
- Legal stakeholders
  - Analyze websites and laws of governmental institutions.
  - Consulting firms often provide good overviews of legal regulations, such as the [EQS Group](#),
- Societal stakeholders
  - Determine the direction of key NGOs, such as WWF. Consider checking [WANGO](#) to identify the most important NGOs and their global directions.
  - Study networks/platforms for activist groups and movements in the population; review journals and newspapers from the regions where you operate.

## Chapter 3: Requirements Identification

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1. Identification of Existing Knowledge
  2. Introduction into Stakeholder Requirements
  3. Key Insights
  4. Data Gathering
  - 5. Evaluation and Prioritization**
-

## Task: Prioritizing the Identified Requirements

- In this chapter, you will perform a “Relative Weighted Prioritization” of your identified requirements.
- Use for this chapter the template from our template set:



STAKEHOLDER NAME (Description)	CATEGORY (Drop-down)	REQUIREMENT (Description)	RELATED TO: (Drop-down)	BENEFIT (Rate 1-9)	PENALTY (Rate 1-9)	COST (Rate 1-9)	RISK (Rate 1-9)	SCORE (Calculated)	PRIORITY (Calculated)	REQUIREMENT CATEGORY (Rate manually)
End Customer	Downstream Stakeholder	(Example) Our customers require fast and accurate maintenance services (and therefore spare parts, even during unexpected disruptions).	Resilience	8	4	4	3	1.71	1	Must-have
Laws & Regulations	Legal Stakeholder	(Example) The EU Supply Chain Act requires our company provide transparency into our supply chain.	Sustainability	4	8	6	3	1.33	2	Must-have
Shareholder	Focal Stakeholder	(Example) Our shareholders require our company to pay a constant return on their investment.	Other	1	3	5	1	0.67	4	Important
Supplier 1 from Germany	Upstream Stakeholder	(Example) Our main supplier for product part X expects our company to support him in establishing more efficient processes to lower the production costs.	Efficiency	5	2	4	2	1.17	3	Nice-to-have
							1	0.00	5	
							1	0.00	5	
							1	0.00	5	
							1	0.00	5	

- All your identified requirements are listed on the left side. Using the right part of the template, you will assess and prioritize those requirements.
- Follow the instructions on the next slides and **perform the evaluation with your team.**

## The Factors of the Relative Weighting Method

- We propose a straightforward version of the “Relative Weighting Method,” where your team will assess each requirement based on the following factors with a weighted score:
  1. **Benefit** for the end customer from fulfilling this requirement. Think about a “feature”; what is the advantage for the end customer if this “feature” (= requirement) is added to the final product?
  2. **Penalty** for your company for not fulfilling the requirement. What is the consequence for your company or the end customers, if this feature is not added to the final product?
  3. **Cost** for your company to fulfill the requirement.
  4. **Risk** incurred in fulfilling the requirement.

BENEFIT (Rate 1-9)	PENALTY (Rate 1-9)	COST (Rate 1-9)	RISK (Rate 1-9)	SCORE (Calculated)	PRIORITY (Calculated)	REQUIREMENT CATEGORY (Rate manually)
8	4	4	3	1.71	1	Must-have
4	8	6	3	1.33	2	Must-have
1	3	5	1	0.67	4	Important
5	2	4	2	1.17	3	Nice-to-have

- For each factor, assign them a value between 1 (the lowest, e.g., no benefit for the end customer) and 9 (the highest, e.g., the most severe penalty for the company).
- The score and priority will be calculated automatically.



## Score and Priority Calculation of the Relative Weighting Method

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- The score will be determined automatically by the template:
  - $\text{Score} = (\text{Benefit} + \text{Penalty}) / (\text{Cost} + \text{Risk})$
  - The maximal value theoretically could be 9 (Benefit and Penalty = 9, Cost and Risk = 1).
  - Vice versa, the lowest possible value could be 0.1 (Benefit and Penalty = 1, Cost and Risk = 9).
  - Therefore, the values will be between 0.1 and 9 but typically between 0.5 and 3.
  - 3, for example, indicates a higher importance, while 0.5 indicates a low importance.
- If the Penalty exceeds 6, the cell will be automatically colored red.
- The priority is automatically determined and represents a simple rank of the requirement. The highest value gets the rank “1,” and the lowest value gets the rank “n” (depending on the number of requirements listed).
- This automated evaluation of the requirements gives you an overview of the most relevant requirements. They are not definitive. In the next step, you will decide with your team the final category of the requirement and whether you decide to fulfill it or not.

## Assigning a Final Prioritization Category to the Requirement

- At the end, we suggest that you go through each requirement again and manually assign them one of the following three categories:
  - Must-have requirements are essential for the company's survival and non-compliance poses existential threats.
  - Important requirements benefit the company significantly, but non-compliance can have severe consequences.
  - Nice-to-have requirements are not critical for the company, though implementing them could enhance its image.

STAKEHOLDER NAME (Description)	CATEGORY (Drop-down)	REQUIREMENT (Description)	RELATED TO: (Drop-down)	BENEFIT (Rate 1-9)	PENALTY (Rate 1-9)	COST (Rate 1-9)	RISK (Rate 1-9)	SCORE (Calculated)	PRIORITY (Calculated)	REQUIREMENT CATEGORY (Rate manually)
End Customer	Downstream Stakeholder	(Example) Our customers require fast and accurate maintenance services (and therefore spare parts, even during unexpected disruptions).	Resilience	8	4	4	3	1.71	1	Must-have
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Supplier 1 from Germany	Upstream Stakeholder	(Example) Our main supplier for product part X expects our company to support him in establishing more efficient processes to lower the production costs.	Efficiency	5	2	4	2	1.17	3	Nice-to-have
							1	0.00	5	
							1	0.00	5	
							1	0.00	5	
							1	0.00	5	

# Strengths and Weaknesses of the Relative Weighting Method

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- Advantages
  - Objective decision-making through qualitative judgments by the team, making the decision process more objective by using numerical weights and scores.
  - Transparent documentation of the prioritization through systematic scoring and weighting.
  - End-prioritization of the requirements still depends on the team's intuitive decision.
- Disadvantages and mitigation strategies
  - Certain complexity with many criteria and options to weigh and score. Ensure that the team leader understands the mechanism and gives a solid briefing about the method to the team.
  - Subjectivity in weight assignment; ensure that every team member can bring in their perspectives to minimize subjectivity of single persons.
  - Do not forget to identify and assess qualitative factors, which might be harder to assess since they are not easily quantifiable.